

city of San Francisco, and to repeal an act entitled "An act to refer the claim of Jessie Benton Frémont to certain lands and improvements thereon in San Francisco, Cal., to the Court of Claims," approved February 10, 1893—to the Committee on Claims.

Also, a bill (H. R. 12168) to reimburse the city and county of San Francisco, State of California, for moneys paid by said city and county to various persons upon judgment claims recovered by them against said city and county for damages inflicted to their property by soldiers of the United States Army—to the Committee on Claims.

Also, a bill (H. R. 12169) to resubmit claim of James Q. Shirley and the estate of Francis De Long, deceased, to the Court of Claims, with instruction to enter judgment on the findings and return same to Congress—to the Committee on Claims.

By Mr. McLACHLAN of California: A bill (H. R. 12170) granting an increase of pension to John A. Young—to the Committee on Invalid Pensions.

Also, a bill (H. R. 12171) granting a pension to James McGinty—to the Committee on Invalid Pensions.

By Mr. STEPHENS of Texas: A bill (H. R. 12172) granting an increase of pension to Charlotte M. Boyd—to the Committee on Invalid Pensions.

By Mr. WANGER: A bill (H. R. 12173) granting a pension to Rebecca T. Winter—to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. DAWSON: Petition of Iowa State Retail Merchants' Association, favoring amendment to the internal-revenue laws relative to tax on oleomargarine—to the Committee on Ways and Means.

By Mr. FULLER: Petition of E. S. Davidson, of De Kalb, Ill., for a duty on thorium—to the Committee on Ways and Means.

Also, petition of Emmerson Manufacturing Company, of Rockford, Ill., relative to the corporation-tax amendment to H. R. 1438—to the Committee on Ways and Means.

Also, petition of Chicago Butter and Egg Board, for reduction of duties on butter, cheese, and eggs—to the Committee on Ways and Means.

Also, petition of David Hill, of Dundee, Ill., favoring \$2 per thousand on evergreen seedlings—to the Committee on Ways and Means.

By Mr. SABATH: Petition of the Chicago Butter and Egg Board, favoring reduction of duty on butter, cheese, and eggs—to the Committee on Ways and Means.

SENATE.

TUESDAY, August 3, 1909.

The Senate met at 10 o'clock a. m.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

The VICE-PRESIDENT resumed the chair.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a petition of the Chamber of Commerce of Spokane, Wash., praying that jute grain bags be placed on the free list, which was referred to the Committee on Finance.

Mr. CULLOM presented a petition of the Chamber of Commerce of the State of New York, praying that an appropriation of \$300,000 be made to enable the United States fittingly to participate in the international exposition to be held at Brussels, Belgium, in 1910, which was referred to the Committee on Appropriations.

Mr. JONES presented a petition of the Chamber of Commerce of Spokane, Wash., praying that jute grain bags be placed on the free list, which was referred to the Committee on Finance.

BEET-SUGAR INDUSTRY.

On motion of Mr. CURTIS it was

Ordered, That 1,000 copies of Senate Document No. 22, Sixty-first Congress, first session, be printed for the use of the Senate document room.

COTTON BAGGING.

Mr. CULBERSON. Mr. President, the morning papers state that there will be presented at an early day a resolution to amend the pending tariff measure. Presently I will propose an amendment to that resolution putting cotton bagging on the free list.

The Senate several weeks ago, as I think in the utmost good faith, placed cotton bagging on the free list, putting it on a par with the binding twine used by the western farmers. In the conference that amendment of the Senate has been stricken out; and if we may judge from the public press, it was done in the interest of one of two manufacturing companies in this country which hold a monopoly of the manufacture of cotton bagging.

I believe the Senate conferees acted in good faith in endeavoring to put cotton bagging on the free list; and to place it now on the dutiable list under the circumstances, in my judgment, presents the most striking incident of rank and discriminating injustice to a whole people which is contained in the bill.

I propose this amendment in order that the injustice may be rectified, as I believe the Senate will attempt to do. I ask that the amendment be printed and lie on the table.

The VICE-PRESIDENT. Without objection, that order will be made.

THE TARIFF.

Mr. CLAPP. Mr. President—

Mr. ALDRICH. I ask that the conference report be laid before the Senate.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. CLAPP. I desire the attention of the chairman of the Committee on Finance for a moment.

Mr. BRISTOW. Mr. President—

The VICE-PRESIDENT. Will the Senator from Minnesota yield to the Senator from Kansas?

Mr. CLAPP. Certainly.

Mr. BRISTOW. I suggest the absence of a quorum.

Mr. CLAPP. No; my question has nothing to do with the presence of a quorum.

Mr. BRISTOW. I think we ought to have a quorum of the Senate here to consider the report.

The VICE-PRESIDENT. The Senator from Kansas suggests the absence of a quorum.

Mr. CLAPP. I wish to call the attention of the committee to a matter connected with this proposed joint resolution. However, I will defer it.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Flint	Page
Bailey	Crane	Foster	Paynter
Beveridge	Crawford	Frazier	Penrose
Brandeggee	Culbertson	Frye	Perkins
Bristow	Cullom	Gallinger	Root
Brown	Cummins	Gamble	Scott
Bulkeley	Curtis	Heyburn	Smoot
Burnham	Daniel	Hughes	Stephenson
Burrows	Dick	Johnson, N. Dak.	Stone
Burton	Dillingham	Jones	Sutherland
Chamberlain	Dixon	Kean	Warren
Clapp	Dolliver	McLaurin	
Clark, Wyo.	Fletcher	Nelson	

Mr. JONES. My colleague [Mr. PILES] is necessarily detained from the Chamber this morning on departmental business.

The VICE-PRESIDENT. Fifty Senators have answered to the roll call. A quorum of the Senate is present. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. Browning, its Chief Clerk, announced that the House had passed a bill (H. R. 6277) to authorize the building of a dam across the Savannah River at or near the mouth of Stevens Creek, between the counties of Edgefield, S. C., and Columbia, Ga., in which it requested the concurrence of the Senate.

SAVANNAH RIVER DAM.

Mr. BAILEY. If the Senator from Minnesota will yield for a moment, I should like to ask unanimous consent for the present consideration of the bill which has just come from the other House.

The VICE-PRESIDENT. Does the Senator from Minnesota yield?

Mr. CLAPP. With pleasure.

Mr. BAILEY. There is an identical bill reported unanimously from the Committee on Commerce, and I ask unanimous consent for the present consideration of the House bill.

The VICE-PRESIDENT. The Chair lays the bill before the Senate, and the Senator from Texas asks unanimous consent for its present consideration.

The bill (H. R. 6277) to authorize the building of a dam across the Savannah River at or near the mouth of Stevens Creek, between the counties of Edgefield, S. C., and Columbia, Ga., was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That J. L. Hankinson, N. B. Dial, and their associates, their successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a dam across the Savannah River at or near the mouth of Stevens Creek, between the counties of Edgefield, S. C., and Columbia, Ga., in accordance with the provisions of an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. FRYE. I ask unanimous consent that the bill (S. 2179) to authorize and empower J. L. Hankinson, N. B. Dial, and their associates, successors, and assigns to construct a dam, being the Senate bill on the same subject, which was reported from the Committee on Commerce on July 16, be indefinitely postponed.

The VICE-PRESIDENT. Without objection, it will be so ordered.

THE TARIFF.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. CLAPP. Mr. President, I desire to call the attention of the chairman of the Committee on Finance, and also of the junior Senator from New York [Mr. ROOR], to the suggestion which I am about to make. In view of what appears in the morning press, it is proposed to modify the conference report by a joint resolution correcting some mistake, omission, or something in the report.

I desire to call attention to the fact that in our relations with foreign countries we have a provision in most of our treaties which allows from six months to a year's notice for the abrogation of a commercial treaty. In this bill the conferees, inadvertently, I believe, have provided that where there is no provision in the agreement there shall be six months' notice, and that that notice shall date from the 30th day of April.

Over three months of the notice time as declared by the statute to be enacted have already elapsed. When we take into account some features of the bill with reference to our trade relations with France, it does seem to me that this is a discrimination with reference to that country which I do not believe the committee intended to make. I suggest that if the report is to be modified by a joint resolution, the attention of the committee being called to this fact, it may be corrected.

When the joint resolution comes up I shall have an amendment in addition to this to offer to the proposed joint resolution. I do not propose to offer any amendment as to this commercial matter, because it is so clearly within the province of the Finance Committee that I believe the committee itself, seeing the force of the suggestion, will formulate its own amendment.

Mr. ALDRICH. I will say that notice has already been given. Notice was given nearly three months ago to France and all the other nations with which the United States has agreements of this nature of the termination of those agreements. So the Government of France has already had notice.

Mr. CLAPP. Then I want to make a suggestion to the chairman. I am speaking now from memory, for it has been some days since I read the provisions of the report, but the report provides as to those nations with which we have a provision terminating the engagement that the notice shall be given within ten days after the passage of this law and its approval. I call the attention of the junior Senator from New York to it and ask for his memory as to the correctness of that statement.

Mr. ALDRICH. This provision has been carefully gone over by the State Department and the parties interested, and the form in which it is in the conference report, I think, is satisfactory to all.

Mr. CLAPP. In view of conversations I have had, not with members of the committee but Members of the Senate, who are in an advisory relationship to the committee, especially upon these foreign questions, I am somewhat surprised to know that this question was gone over and purposely decided in the manner in which it appears it has been decided, for, discuss it as you may, it imposes less than a three months' actual notice when, by its terms, notwithstanding the notices which have been given as to the nations with whom we have the agreement, the notice is to be given within ten days after the passage of

the law. I have called attention to it, and I do not desire to discuss it.

Mr. ALDRICH. I suppose the Senator from Minnesota is aware that there is no notice whatever in the French agreement.

Mr. CLAPP. The point I am making is that with these other nations it is six months or a year, and yet with France we propose to give them less than three months.

The VICE-PRESIDENT. The question is on agreeing to the conference report.

Mr. NEWLANDS. Mr. President, I have just come into the Chamber, and I do not know what the status of the business is. I understood the Chair to be putting the question as to agreeing to the conference report.

Mr. CULLOM. The question is on agreeing to the report.

Mr. NEWLANDS. Mr. President, I wish to make some inquiry of the chairman of the Finance Committee before that question is put.

I will state to the chairman that the bill as it passed the Senate provided under the maximum and minimum clause as follows:

To secure information to assist the President in the discharge of the duties imposed upon him by this section, and information which will be useful to Congress in tariff legislation and to the officers of the Government in the administration of the customs laws, the President is hereby authorized to employ such persons as may be required to make thorough investigations and examinations into the production, commerce, and trade of the United States and foreign countries, and all conditions affecting the same.

The Senator will recall that when that provision was before the Senate an amendment was offered to it, first by the Senator from Texas, who proposed that this so-called "commission" to be appointed by the President should be a bipartisan commission. An objection was made by the chairman of the Finance Committee to the injection of partisanship into the commission. In his debate upon that subject he referred to these appointees of the President as a "commission." No objection whatever was made at that time to empowering the President of the United States to secure the information which would be useful to Congress in tariff legislation and to make thorough investigations and examinations into the production, commerce, and trade of the United States and foreign countries. The amendment of the Senator from Texas was beaten.

Later on an amendment was offered by the Senator from Iowa [Mr. DOLLIVER] providing for a tariff commission, and providing in detail for its powers. The objection was then made by members of the Finance Committee, particularly by the Senator from North Dakota [Mr. McCUMBER], representing that committee, that the ground was fully covered by the amendment offered by the committee regarding the maximum and minimum clauses, and covered more broadly and comprehensively than by the amendment of the Senator from Iowa. A vote was taken and that amendment was beaten by only 5 votes. I assume that if it had not been for the assurance of the Finance Committee that this section amply covered all the requirements of a tariff commission, so far as the securing of information and the ascertaining of the difference of cost in production was concerned, the Senate would have forced upon the bill a provision for a tariff commission—not such a commission, perhaps, as I personally would have wished, a commission acting decisively in the reduction of excessive duties under a rule fixed by Congress to a standard fixed by such rule, but a commission securing information which would aid the President of the United States in his recommendations, and Congress in its deliberations, concerning tariff legislation.

I wish to ask the Senator from Rhode Island, whose attention thus far I fear I have not been able to secure, though I solicited it when I rose, how comes it that the conference committee has absolutely emasculated every provision that enables the appointees of the President to secure information useful to Congress in tariff legislation; and I ask him how comes it that the provision is stricken out from the conference report providing for a thorough investigation and examination into the production, commerce, and trade of the United States and foreign countries and all conditions affecting the same? May I ask an answer from the Senator from Rhode Island to this question.

Mr. ALDRICH. What was the question? I beg the Senator's pardon.

Mr. NEWLANDS. The question which I have asked—

Mr. ALDRICH. How it happened that the change was made?

Mr. NEWLANDS. Yes.

Mr. ALDRICH. The conferees were not able to agree upon any other language. The House conferees objected to the Senate provision.

Mr. NEWLANDS. May I ask whether the objection came from the House conferees or from the body of the Senate conferees itself?

Mr. ALDRICH. That seems to be an unnecessary question. It must have come from the House, of course, from the parliamentary status of the provision.

Mr. NEWLANDS. But I asked the question, and I should like to have an answer.

Mr. ALDRICH. It goes without saying, I think, that the House conferees must have objected to the provision.

Mr. NEWLANDS. The Senator says, "It goes without saying, I think."

Mr. ALDRICH. Then I will say—

Mr. NEWLANDS. The Senator's expression indicates a doubt.

Mr. ALDRICH. Then, if it will be more satisfactory to the Senator from Nevada, I will say that the House conferees objected to the provision in toto. They proposed to strike it out.

Mr. NEWLANDS. Was that acquiesced in by the conferees on the part of the Senate?

Mr. ALDRICH. The inclusion of the words was a compromise between the two Houses. I will say to the Senator from Nevada, of course with due deference to his judgment to the contrary, that the provision contained in the bill itself is even broader than it was in the Senate, in my judgment. It allows the President to employ whoever he pleases without limit and to assign such duties to them as he sees fit within the limitation of the maximum and minimum provisions and to assist the customs officers in the discharge of their duties. Now, these two purposes, especially the latter, cover every conceivable question that is covered by tariff legislation.

Mr. NEWLANDS. May I ask the Senator whether the provision as it comes from the conferees and is contained in the conference report will warrant the President in appointing men who will inquire into and ascertain the difference in the cost of production at home and abroad of the articles covered by the tariff?

Mr. ALDRICH. Unquestionably it will, for the reason that under the law, as it will pass in a few days, I hope, the home valuation as well as the foreign valuation of goods is a matter which has to be determined by the customs officers, and that involves, of course, all collateral questions. I have no doubt myself that the provision as it now stands is, as I have already stated, even broader than the provision which passed the Senate.

I am quite willing to say, however, that so far as I was concerned, and so far as the Senate conferees were concerned, we tried our best to have the language kept in as it passed this body.

Mr. BEVERIDGE. Will the Senator from Nevada permit me to ask a question of the Senator from Rhode Island?

Mr. NEWLANDS. Certainly.

Mr. BEVERIDGE. Then the Senator from Rhode Island differs in his interpretation from the interpretation given by the Senator from Maine [Mr. HALE] the other day when the deficiency appropriation bill was being passed.

Mr. NEWLANDS. That is the question I was about to ask the Senator from Rhode Island.

Mr. ALDRICH. I did not happen to be present when the Senator from Maine made a statement on the subject, but I am stating my own views, which are clearly carried out, in my judgment, by the language used in the act.

Mr. NEWLANDS. I am very much gratified to receive this assurance from the Senator from Rhode Island, and it does great credit to his good faith and to his maintenance of his obligations to this body.

I wish to say that I have been somewhat distrustful about this matter because of the action of the Senator from Maine, referred to by the Senator from Indiana in the debate upon the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE]—the tariff commission amendment.

Mr. ALDRICH. I think I can say, without betraying the confidence of the President, that the views which I entertain are also the views entertained by the President of the United States.

Mr. NEWLANDS. I am glad to know that. I already knew that the President was in favor of ascertaining honestly and fairly the difference in the cost of production at home and abroad, such ascertainment to be made by competent men, impartial men, who could act judicially upon this important question and not according to the methods now prevailing in Congress—methods of trade, and bargain, and barter.

Mr. CLAPP. Will the Senator pardon an interruption?

Mr. NEWLANDS. Certainly.

Mr. CLAPP. I should like to ask the Senator from Rhode Island if there is any provision in the bill which authorizes the

President under any circumstances to take any action with reference to the rates in the bill where that action is based upon the difference in the cost of production here and abroad? The Senator need not worry himself, because we all know there is no such provision in the bill.

Mr. ALDRICH. Then it is not pertinent.

Mr. CLAPP. Perhaps not. I think I will suggest a little pertinency about it. I want to suggest that the power and scope of the examination is limited to securing information to assist the President in the discharge of the duties imposed upon him by this section, and the officers of the Government in the administration of the customs laws.

The President is hereby authorized to employ such persons as may be required.

I should like to ask the Senator from Nevada if he accepts under that limitation the answer that it authorizes an inquiry into what the Senator from Nevada and every Senator who stands upon the platform of a tariff representing the difference in the cost of production desires to have covered? That is limited to investigation and information relating to the duties imposed by this law upon the President and no more, and the duty of ascertaining the difference in the cost of production is not imposed by this law.

Mr. ALDRICH. Mr. President—

Mr. NEWLANDS. The Senator from Minnesota has put to me a question, and I will yield to the Senator from Rhode Island in a moment. I wish to state that the language of this conference report does not, in my judgment, bear the construction put upon it by the Senator from Rhode Island.

Mr. CLAPP. Exactly.

Mr. NEWLANDS. But I am glad to know that the Senator from Rhode Island, powerful as he is in legislation in this body, takes that construction, for I know that when he gives an assurance to this body he will act upon it. I know that when an appropriation bill comes into this body appropriating money for the expenses of such an inquiry the Senator from Rhode Island will sustain it; and whilst this provision does the Senator from Rhode Island does put this construction upon it, and that legislation will follow that will carry out the terms not go as far as I would wish, and does not in my judgment carry the construction put upon it by the Senator from Rhode Island. I am glad to know in the last stages of the bill that of the conference report and the construction put upon it by the Senator from Rhode Island.

Mr. ALDRICH. If the Senator from Nevada will yield to me for a moment, I think he will be convinced himself, upon consideration, that no other construction than that which I have placed upon it can be put upon it. It is to assist the officers of the United States in the collections of revenue. That is not the exact language used, but that is the purport of it; and it means this: The revenue officers of the United States have a great variety of duties in connection with the tariff and the collection of duties. The most important of those are, first, to ascertain foreign values. Involved in that by the plain terms of the law is the cost of foreign production of the articles named upon which duties are to be assessed. The question of the determination of foreign values and the foreign cost of production are the most important duties, I repeat, that are given to customs officers. By this act new duties are assigned to them to find out the value of articles in this country, both of foreign and domestic production. This involves the whole question which anybody has asked in connection with the persons to be employed by the President.

So I have no question whatever but that every conceivable question that could have been covered by the language used in the Senate provision is covered equally by the language now used, and there is no limitation. The words used by the Senate in their provision were words of limitation and not words of enlargement. In my judgment, the provision is broader than the original provision.

Mr. NEWLANDS. Well, Mr. President I am very glad to have the assurance of the Senator from Rhode Island, but I will ask him one further question. His associate upon the Finance Committee, the Senator from Maine [Mr. HALE], is the chairman of the Appropriations Committee. We know how powerful the chairman of that committee is in legislation. Does the Senator from Rhode Island think, after the expressions of the Senator from Maine upon the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE] that he will stand by and favor the appropriations that will be necessary to enable the President of the United States to carry out this important function?

Mr. ALDRICH. I am not authorized to speak for the Senator from Maine upon this subject. The views of the Senator from Maine, I realize, are different from my own with regard

to this whole subject. But I will say to the Senator from Nevada that, so far as I am concerned, both in my official capacity as chairman of the Finance Committee and as a Member of this body, I shall use every effort that is in my power, and I have no doubt it will be successful, to have every appropriation made which the President requires to carry out this policy in good faith.

Mr. NEWLANDS. The assurance of the Senator from Rhode Island as to his personal action given upon this floor is, of course, sufficient for any of us, but he will pardon us if we can not accept his expression of assurance relating to others. Whilst his construction may be the correct construction, and whilst he individually may adhere to it, the expressions and the action of the Senator from Maine indicate that he will not accept the Senator's construction. The action of the House conferees indicates that they will not accept it, and the action of the Senate conferees in yielding to the House conferees would indicate that they are not zealous advocates of the policy of enabling an ascertainment by scientific methods of the differential in the cost of production.

Mr. CUMMINS. Mr. President—

The VICE-PRESIDENT. Does the Senator from Nevada yield to the Senator from Iowa?

Mr. NEWLANDS. Certainly.

Mr. CUMMINS. Just at this point I wish the Senator from Rhode Island to be a little more definite with respect to the policy of which he speaks. What is the policy the Senator from Rhode Island believes ought to be carried out and for which he will use his influence? I should like during the course of the debate to hear from the Senator from Rhode Island upon that point.

As I understand the matter, it was originally proposed that this body of men should undertake an examination relating to the cost of production of competitive articles at home and abroad for the information of Congress, in addition to their duties, which were to assist the President in applying the maximum and minimum features of the act. The conference committee eliminated all that part of the bill which caused that information to be furnished to Congress, and completely divorces Congress from this body of men.

I know when the appropriation bill was before the Senate the senior Senator from Maine [Mr. HALE], in answer to an inquiry by the Senator from Wisconsin [Mr. LA FOLLETTE], said:

I may say that the action was invoked only this morning, because there has been nothing known until late about the tariff bill. I conferred with the President, in order to learn for what purposes this sum of \$100,000 would be required. It will be required for the very important, sometimes critical, negotiations that will have to be entered into during the next year touching the maximum and minimum tariff provisions.

He proceeds in the same strain; and that is in entire harmony with the language of the bill as it comes from the conference committee.

I understand that it is part of the duty of the customs department to ascertain the value of articles abroad in order to apply ad valorem duties to invoices; but what I should like to know is whether the policy which the Senator from Rhode Island suggests is that some body of men shall undertake the investigation of the cost of production at home and abroad in order that we may change, if change be found necessary, the duties that are imposed by this act upon imported products.

Mr. ALDRICH rose.

Mr. NEWLANDS. I will yield to the Senator from Rhode Island for an answer.

Mr. ALDRICH. This is not a question about what my policy will be with reference to this subject. These duties are given by the bill to the President of the United States under certain conditions. I have no question whatever but what the President will carry out the provisions of the law in the utmost good faith, and whatever the President thinks should be done to carry out the provisions of the maximum and minimum clauses of the act, or with reference to anything which will aid the customs officers in the discharge of their duties, I have no doubt the inquiries will be made, and made in good faith. I have no question about that whatever. But the question about what I would do if I were President is not a supposable case.

Mr. CUMMINS. Mr. President, I have been answered, I think, fairly, because now it appears that the policy which was mentioned a few moments ago, and to which the Senator from Rhode Island [Mr. ALDRICH] commits himself, relates solely to the administration of this law. I have no doubt the President will do the work committed to him wisely, and I am very much in favor of the appropriation that has already been passed by the Senate, but I thought there might be some confusion with regard to policy. The policy of administering this

law is one thing; the policy of changing it is quite another. What I want the Senate and the country to understand is, whether it is proposed to go on now and make an investigation for the purpose of applying the standards of the Republican platform to import duties, and if in that investigation it be found that these duties, or any of them, are either too high or too low, that we shall proceed in due course to change them.

Mr. NEWLANDS. I would ask the Senator from Rhode Island, Mr. President, whether, under the bill as it stands, it will be in the power of the President, and within his ability, the necessary funds being available, to inquire not only into the cost of production abroad of articles covered by the tariff, but also the cost of production at home of those articles?

Mr. ALDRICH. Clearly; I should say yes.

Mr. NEWLANDS. The Senator from Rhode Island, then, is of the opinion that the President will not only have the power to do that, but that the funds necessary to pay the expenses of the inquiry will be forthcoming?

Mr. ALDRICH. I can not understand how Congress would refuse to make appropriations for a purpose for which they had authorized the President to expend money.

Mr. NEWLANDS. Well, now, Mr. President, I think that the Senator—

Mr. STONE. Mr. President, the Senator from Nevada is solicitous about investigations to ascertain the difference in the cost of production abroad and in this country, and the Senator from Rhode Island commits himself to the policy of making that investigation and ascertainment. Of course there could never be any doubt as to what the Senator from Rhode Island would do about a matter of that kind. We have recently had a shining example of his anxiety in that behalf that ought to inspire us with absolute confidence as to his course in the future. About two months ago a resolution was adopted by the Senate, calling for the publication of a report made by the German Government as to the cost of production in that country. That report was sent by the German Government to the Secretary of State and transmitted here by the President at the call of the Senate. It was then referred to the Committee on Finance to be published under its supervision. Several inquiries have been made of and several promises made by the Senator from Rhode Island as to its forthcoming, but up to this day the Senate has not been able to get that report. So we may see with what swiftness the Senator from Rhode Island will run to get the facts the Senator from Nevada desires and which it is so important we should have, but which we are never able to get.

Mr. ALDRICH. Is that the same report to which the Senator from Missouri has referred several times in the Senate?

Mr. STONE. It is the same report.

Mr. ALDRICH. That report has been sent to the Government Printing Office. I think the Government Printing Office is very busy these days, but I have no doubt that we shall get the report in due time.

Mr. NEWLANDS. May I ask when the report was sent to the Government Printing Office?

Mr. ALDRICH. I can not say. The Senator from Nevada can probably ascertain by asking the Printing Office, or perhaps he can by—

Mr. STONE. The Senator from Rhode Island says he will go down and get it in good time.

Mr. ALDRICH. No; I did not say that.

Mr. STONE. I suppose after Congress has adjourned.

Mr. ALDRICH. I said the Senate would get it undoubtedly in good time.

Mr. STONE. Oh, well, at Christmas time.

Mr. KEAN. As a Christmas present.

Mr. NEWLANDS. Mr. President, I shall not endeavor to exact from the Senator from Rhode Island any further statement as to his construction of this provision or as to the power and the ability of the President to take steps for the ascertainment of the difference in the cost of production at home and abroad, and to take steps to secure all the information, and, according to the Senator's statement, more than all the information, called for by the bill as it passed the Senate. I can only say that I fear that the Senator may not be so potential with his associates as he will be with himself.

We already realize that among the Senate conferees themselves there was one determined antagonist to the securing of this information in the Senator from Maine [Mr. HALE]; that he doubtless opposed the action of the Senate in the conference committee itself and aided in the yielding of the Senate conferees to the House insistence. We know that he is chairman of the Committee on Appropriations, that he is chairman of the committee on committees of the Republican party in the Senate, that he is

powerful in legislation, and that he is powerful in party organization; and I fear very much that when the time comes for action, to give the President the power that he desires and the funds with which to make this inquiry, we shall find the Senator from Maine standing like a stone wall against the march of progress; that we shall also find the leading man in the House of Representatives, the representative of everything that is ultra-conservative and reactionary in legislation, standing like a stone wall against it; that we shall find them appealing, in justification of their action, to the letter and the words of the statute which Congress has passed, and that the Senator from Maine will refer to a warning given upon the floor of the Senate as to his view of the desirable action regarding this investigation. So, if I am satisfied with the construction placed by the Senator from Rhode Island upon this provision, I am not satisfied to rely upon that construction as indicative that his party and his party organization and the men associated with him in power in the Republican party will stand by him in that construction and will favor action pursuant to it.

Mr. CRAWFORD. Will the Senator from Nevada permit me to ask him a question?

The VICE-PRESIDENT. Does the Senator from Nevada yield to the Senator from South Dakota?

Mr. NEWLANDS. Certainly.

Mr. CRAWFORD. Mr. President, I notice that as this bill passed the Senate the provision in question in section 2 reads as follows:

To secure information to assist the President in the discharge of the duties imposed upon him by this section, and information which will be useful to Congress in tariff legislation, and to the officers of the Government in the administration of the customs laws, the President is hereby authorized to employ such persons as may be required to make thorough investigations and examinations into the production, commerce, and trade of the United States and foreign countries, and all conditions affecting the same.

This language is found on page 355 of the bill. I find on page 430 that after this provision went through the conference it came out as follows:

To secure information to assist the President in the discharge of the duties imposed upon him by this section, and the officers of the Government in the administration of the customs laws, the President is hereby authorized to employ such persons as may be required.

It is very evident to my mind that the people who changed the language as it originally passed the Senate into the language as it comes from the conference were not friendly to this clause. I am satisfied that the changes were not made to strengthen it. I for one believe that it was one of the most important provisions in the bill as it passed the Senate; and I believe that as it stands now, although the motive was undoubtedly to draw the teeth from it, it can still, if the opportunity is furnished by an appropriation to carry it out, be made a very potent factor for use in the future in reference to tariff legislation.

In that connection I simply wish to make this suggestion to the Senator from Nevada: If the appropriation of \$100,000 in the bill which the Senate has already passed, and which is now pending in the other House, shall go through, and the funds be placed at the disposal of the President, and if, under this provision as it now comes from the conference committee he shall employ experts to gather information for the purpose of enabling him to execute the maximum and minimum provisions of this law, after that information has been secured and is in the possession of the executive department, can the President not use it at any time in sending a message to the Congress of the United States in relation to tariff legislation, so that the facts it contains can be utilized in spite of the hostile effort made by that committee to destroy its provisions? If so, should we not support it as it stands here now?

Mr. NEWLANDS. Mr. President, in reply to the Senator from South Dakota, I have to say that if the President of the United States, in the exercise of his powers under the maximum and minimum clause, does obtain facts necessary for the information of Congress in order to ascertain the difference between the cost of production at home and abroad, it is doubtless within his power, under the power of recommendation contained in the Constitution, to transmit that information to Congress and to make his recommendations. What I fear is that the funds put at his disposal will not be sufficient to ascertain the cost of production abroad as well as at home; that his first duty will be to ascertain the cost of production abroad; and that that may be regarded as the only duty that devolves upon him under the maximum and minimum clause, for it is upon the value of the foreign article that the duty is imposed, and not upon the value of the domestic article, and that hence he may fail for want of funds to make this inquiry.

The Senator will recall the fact that Congress passed a bill for the regulation of the railroads, giving the Interstate Com-

merce Commission the power to determine what should be a reasonable rate. The Senator will recall that the Supreme Court had determined that in ascertaining a reasonable rate it was necessary to take into consideration, among other considerations, the value of the railroads; and the Senator knows that thus far Congress has denied the Interstate Commerce Commission either the power or the funds with which to make this inquiry, and that it has hamstrung the Interstate Commerce Commission in the exercise of its functions. That bill passed three years ago. The country has been demanding the valuation of the railroads. The entire Democratic party, and, if it were put to a vote of the Republican party, three-fourths of the Republican party would stand for that as a just compliance with the spirit of the interstate-commerce law, and yet it has not been done, and it has not been done simply because the reactionaries and ultraconservatives, to whom I have referred, who fought the interstate-commerce bill at every stage and finally voted for it under the pressure of public opinion, have denied to the Interstate Commerce Commission—and have been sufficiently powerful here to make that denial effective—the power even to ascertain an essential factor in rate determination.

Mr. HEYBURN. Mr. President—

The VICE-PRESIDENT. Does the Senator from Nevada yield to the Senator from Idaho?

Mr. NEWLANDS. Certainly.

Mr. HEYBURN. Mr. President, I feel impelled to inquire of the Senator whether it is his judgment that this \$100,000 is to be expended for the purpose of ascertaining the difference between the cost of production at home and abroad? I supposed that it was to be expended for the purpose of ascertaining conditions upon which the maximum and minimum rates may be applied, and for that purpose only, and I could not conceive that the relative cost of production at home and abroad entered into that at all.

Mr. NEWLANDS. I call the attention of the Senator from Rhode Island [Mr. ALDRICH] to the construction put by the Senator from Idaho [Mr. HEYBURN] upon this provision, entirely at variance with his own. The Senator from Rhode Island seeks to placate the sentiment of the Senate by an insistence that the powers conferred by this provision as it stands are larger than the powers as conferred by the bill when it passed the Senate; and the Senator from Idaho arises and insists that the powers of the President are restricted entirely to the ascertainment of discriminations by foreign countries against importations from this country, and that this provision does not apply, and could not legally be applied, to the ascertainment of the difference in the cost of production between this and foreign countries. So here we have an illustration of the difference in opinion that will arise in the future upon this floor, the Senator from Rhode Island taking one position and the Senator from Idaho aiding the Senator from Maine [Mr. HALE] in taking another.

Mr. ALDRICH. Mr. President—

The VICE-PRESIDENT. Does the Senator from Nevada yield to the Senator from Rhode Island?

Mr. NEWLANDS. Certainly.

Mr. ALDRICH. I suppose the Senator from Nevada hardly expects me to be responsible for all the present and prospective Members of the Senate or of the House upon this question?

Mr. NEWLANDS. I do not.

Mr. ALDRICH. I stated simply my own views and the plain, definite purport of the language used.

Mr. NEWLANDS. I do not hold the Senator responsible. If I held him responsible and felt that he could meet the full measure of the responsibility, I should not say another word, for I know that when the Senator from Rhode Island gives his word upon this floor that that word is good.

Mr. HEYBURN. Mr. President, I do not desire to interrupt the flow of the Senator's argument, but it seems to me that we might reach an understanding, perhaps, by a little interchange of question and answer.

Mr. NEWLANDS. Certainly.

Mr. HEYBURN. To do what the Senator suggests—that is, to ascertain the difference in the cost of production at home and abroad, and so forth—simply means the establishment of a running census board. It does not mean the performance of any function that can be valuable in executing a law which has the ordinary attributes of certainty. That is the reason I was impelled to ask the question. It resolves itself down, as I understand, to the performance of the act of determination whether and where conditions exist that authorize executive order that will change schedule rates, and nothing else. Of course that will require much money, and it ought to be provided for if we establish the maximum and minimum rate.

Mr. NEWLANDS. Mr. President, if we could receive an assurance from the dominant party that an ample appropriation would be given for the purpose of ascertaining the difference in the cost by a capable and impartial tribunal, so far as I am concerned, my argument would be at an end, although there are many features of this bill to which I am opposed.

Mr. HEYBURN. If the Senator will permit me right there, what is the object, after we pass a bill, in spending time and money in determining that fact, except to the extent that a census is useful? What other object can there be?

Mr. NEWLANDS. The purpose is to enable the President, acting upon the findings of such a commission, to recommend to Congress the reduction of the duties in this bill to the difference in the cost of production at home and abroad, and enable him and the party which he represents to carry out its solemn pledge given to the people of the United States.

Mr. HEYBURN. Mr. President, does the Senator mean to infer that the Senate is to waive its function of legislation and its judgment and accept the report of this commission or the recommendations of the President as a substitute for its own intelligence and responsibility? That is what it seems to amount to.

Mr. NEWLANDS. The Senate would waive nothing; Congress would waive nothing; it could act favorably or unfavorably, as it chose, upon the recommendation of the President; it could accept or discard the information presented by this tribunal. But there is a feeling throughout this country, shared by members of both parties, the unanimous judgment, almost, of the American people, that the methods pursued by Congress in ascertaining the facts are faulty and defective. They believe that the cost of production here and the cost of production abroad and the duty which is to represent the difference between them can not be ascertained by a tribunal, acting as this has acted, descending from its dignity as legislators, turning the Senate into a market, each Senator behind his stall with his goods, his shoes, his woollens, his cottons, insisting upon this phase or that phase, this value or that value, and the bargaining and the trade and the compromise attendant upon this method of ascertaining a fact.

The people are tired of this, and they themselves demand information, and they demand that the President shall have the power to obtain information for himself, and they demand that Congress shall have the information. This provision in the Senate bill was intended to secure that information and represented almost the unanimous judgment of the Senate, for but one voice was raised against it, and that was the voice of the Senator from Maine; and yet we find that Senator potential with his associates on the conference committee representing this body, swinging his associates into compliance with the demands of the House. We know how the conferees of the House were selected, disregarding the usual rule, one of them interested largely in one of the most important schedules in the bill, a Member who said that it made him sweat blood whenever there was any suggestion of a reduction in any degree of any of the duties of the tariff.

I stand simply for the judgment of the Senate; and I say, in view of the fact that the assurance given by the Senator from Rhode Island is not accepted by his party associates, is rejected by one of his associates here, and in view of the fact that the gentlemen from the other House who have been so potential in the conference will be opposed to any progressive action upon this line, that we should reject this report, insist upon the Senate provision as it stood, and center our fight upon this provision; for, in my judgment, the whole fight of the future will be centered upon this proposition, first advanced in the Senate by the Senator from Indiana [Mr. BEVERIDGE]—a movement which has had a constantly increasing momentum and a movement which appeals to the reason, to the fairness, and to the judgment of men. We should determine that some competent tribunal should inquire into these questions of fact and give Congress and the President the information which they sadly need.

Now, Mr. President, I shall not weary the Senate with lengthy remarks upon this subject. Most of my time has been taken up with interruptions, to which I gladly yielded. I wish, however, to refer to the debates which have taken place upon this subject and to quote them. I shall not read at length the quotations, for they would weary the Senate. I shall simply ask permission to print them, but I wish, in order to connect them together with some logical sequence, to refer to the history of this movement for a tariff commission.

Two years ago, if I recall the time aright, or about two years ago, the Senator from Indiana made in this body a notable speech urging a tariff commission for the ascertainment of facts. His speech appealed to me. I spoke immediately following him

not only approving all that he had said, but insisting that Congress should go further; should not only appoint a commission for the purpose of securing information, but that it should also give them the power to act under a rule laid down by Congress in the reduction of tariff duties which exceeded the standard called for by the dominant party, giving such a commission a power analogous to that now enjoyed by the Interstate Commerce Commission regarding railroad rates.

That commission first had the power practically only of recommendation, but it has been enlarged by Congress until it now has the power to fix a rate according to a rule laid down by Congress. The power to fix interstate rates is just as much a legislative function as the power to fix customs duties. Yet Congress, because of the magnitude of the transactions, because of the magnitude of the inquiry, because of the inability of a great body of this kind to determine matters of fact, not only organized that commission with the power to ascertain the facts, but the power to give those facts effect under a rule laid down by Congress.

Since this question has been discussed in this body some of its Members have accepted this view. I believe in the end it will be the prevailing view, but I can not hope that that view will ripen into immediate legislation. But there is one thing upon which the mind of the Senate itself is fixed, as expressed in this very provision which passed the Senate, and that is that the President should have the power to select a tribunal with full power to inquire into the facts, so that those facts can be useful to Congress in its legislation and useful to the President in his power of recommendation.

Mr. President, in view of that history, I refer to the history of this debate regarding the commission question. When the minimum and maximum clause, containing this provision, framed by the Finance Committee and giving the powers of examination, with a view to securing information useful to Congress and useful to the President, was up, the Senator from Texas moved that the commission be a bipartisan commission, that it be composed of seven members, not more than four of whom should belong to any one party. That matter was discussed, and the Senator from Rhode Island argued against it, insisting that partisanship should not enter into the question at all, that economists only should be called into it, and they should not be divided upon party lines. The Senator from New York also opposed it on the same grounds. No expression was made in that debate against the necessity of securing this information and the advisability of securing it, and the amendment of the Senator from Texas was beaten upon the argument presented against it, that it presented partisan features, that the inquiry ought to be an economic inquiry, in which politics should cut no figure. I shall ask to insert in the RECORD certain quotations from portions of the debate.

The VICE-PRESIDENT. Is there objection to the request? The Chair hears none.

The matter referred to is as follows:

[From the CONGRESSIONAL RECORD of July 3, 1909.]

Mr. ALDRICH. Mr. President, this is not intended to be a partisan or a nonpartisan commission. It is intended to assist the President in carrying out the work that is assigned to him by the provisions of this section. It is also intended that they shall examine all questions pertaining to tariff matters and the products of foreign countries, so that they may have expert knowledge in regard to discriminations. For that purpose they will need to be acquainted with industrial conditions in this country and in other countries.

It is not intended that this shall be a partisan or a nonpartisan commission, as I stated before. The President will take the very best men he can get, without reference to where they live or as to what their party associations are.

I think we can safely leave the matter to the President of the United States, who has the responsibility upon him of discharging his duty in this regard. I believe it is much wiser to do that than it would be to undertake to regulate the number of these persons, or their political affiliations, or the salaries that shall be paid them. I think money will be saved to the Government by adopting the course suggested by the committee.

Mr. BACON. If the Senator will pardon me a moment, I should like to draw his attention to the fact that the amendment proposes that these appointees—whatever name may be properly given to them—shall not only gather information for the benefit of the President in determining what shall be done under the powers given him under the amendment, but shall gather information which will be useful to Congress in tariff legislation.

Mr. ALDRICH. Unquestionably.

Mr. BACON. That goes very much further, Mr. President, and does in some manner invade the field of political divisions and contentions. For that reason it seems to me the language of the amendment should be very carefully guarded in this respect. If, as stated by the Senator, the investigations of these men were to relate solely to matters which concern the President, and they were to be his personal representatives, the matter would be very different from what it is under the provisions of the amendment. But the amendment goes very much further than that.

I do not know that the Senator heard what I said.

Mr. ALDRICH. I did.

Mr. BACON. I said that if the work of these men related solely to the gathering of information in order that the President might de-

termine whether he should impose the maximum or the minimum tariff, then they would be his personal representatives.

Mr. ALDRICH. Mr. President, I think the Senator will agree with me, even from that standpoint, that this information ought not to be gathered by men with a partisan bias. It ought not to be expected that Congress would limit this commission to a point where there would be certain to be two reports, upon political lines, upon every question. I can imagine nothing which would be more detrimental to the purpose we have in view than a partisan commission sent out to gather information with reference to one political view or one economic view or another. I think it would destroy the usefulness and the purpose of this commission, or whatever you please to call it.

Mr. ROOT. * * * It appears to me that the force of accumulated public opinion, the force of continued action, the general acceptance of the principles of nonpartisanship as they have already obtained and abound and continue in our Government, constitute a so much stronger motive toward making a nonpartisanship commission that it would be a pity to put in a provision which would compel its being a bipartisan commission.

Mr. NEWLANDS. The next debate regarding a tariff commission took place upon the amendment of the Senator from Iowa [Mr. DOLLIVER], who presented a lengthy amendment, providing for a customs commission, detailing its powers and its duties. That amendment was fought by the Finance Committee, represented by the Senator from North Dakota [Mr. McCUMBER]. I shall ask to print in my remarks quotations from his speech.

The matter referred to is as follows:

[From the CONGRESSIONAL RECORD of July 3, 1909.]

Mr. McCUMBER. Mr. President, I do not want to vote upon this measure until there has been placed upon record the statement that the essentials of everything asked for by the amendment of the Senator from Iowa [Mr. DOLLIVER] are fully and comprehensively covered by the broader and more generous terms of the provision that has been proposed by the committee. I want to call attention to the wording of the last portion of the amendment. It is:

"To secure information to assist the President in the discharge of the duties imposed upon him by this section, and information which will be useful to Congress in tariff legislation and to the officers of the Government in the administration of the customs laws, the President is hereby authorized to employ such persons as may be required to make thorough investigations and examinations into the production, commerce, and trade of the United States and foreign countries, and all conditions affecting the same."

Within those broad provisions are encompassed every essential feature that is asked for in the amendment of the Senator from Iowa, except as to the machinery itself, and except possibly as to some of the details of publication.

Mr. McCUMBER. Mr. President, I have no doubt the commission that will be appointed will measure up to the dignity required by the Senator from Iowa. But I want to call the attention of the Senator again to these words, which state that the commission shall collect any and all information "which will be useful to Congress in tariff legislation." The most useful information we can have in tariff legislation is as to the facts concerning the cost of production at home and abroad, and all other facts concerning the production, commerce, and trade of the United States with foreign countries, and all other conditions that affect the same. Those things are covered by the provisions of the amendment of the committee, and they certainly are more comprehensive and broader than the amendment of the Senator from Iowa, although not carried out in so much detail.

It was upon this assurance of Mr. McCUMBER, a member of the Finance Committee, that the provision of the Senate amendment was broader and more comprehensive than the amendment of the Senator from Iowa that that amendment was defeated, and it was defeated in this body by only five votes.

The Senator from Wisconsin [Mr. LA FOLLETTE] offered on the 8th day of July an amendment providing in great detail for a tariff commission. This amendment was also opposed by members of the committee, and for the first time a discordant note was heard. I have not that debate before me. It is contained in the as yet unpublished speech of the Senator from Wisconsin [Mr. LA FOLLETTE], and does not appear in the RECORD. But my recollection is that then the Senator from Maine indicated his dissent to the interpretation put by his associates upon the committee and by the general judgment of the Senate as to the amendment prepared by the Senate committee, and it is his expression of dissent then that has put me upon this inquiry. I shall ask leave to print in my remarks in the RECORD, without reading, quotations from that debate.

The VICE-PRESIDENT. Without objection, the request is granted.

The matter referred to is as follows:

Mr. ALDRICH. Will the Senator from Wisconsin yield to me?

Mr. LA FOLLETTE. Certainly.

Mr. ALDRICH. The duties of the commission, the parties to be named by the President, are defined in the act. They will also be defined by the President, and so far as appropriations are concerned, the appropriations will undoubtedly be made. This proposition was put into the bill in good faith. It was agreed to by the Senator from Indiana [Mr. BEVERIDGE], who aided in the preparation of it, and it covers all the suggestions and the requirements of the various organizations that have been asking us to provide for the appointment of a commission of this kind.

Mr. LA FOLLETTE. Now, Mr. President, I was not disposed to extend unduly the discussion on this subject.

Mr. BEVERIDGE. Mr. President—

Mr. LA FOLLETTE. In a moment I will yield to the Senator from Indiana with very great pleasure. What this proposed legislation will do is to be determined by the language embodied in that provision. No larger powers can be conferred upon those who are to be appointed under it. Those are provided for there, and I am going to take that up in a moment. I am going to analyze it.

Mr. BEVERIDGE. The only reason why I wanted to interrupt the Senator in this particular instance was to note the statement of the Senator from Rhode Island concerning the certainty of an adequate appropriation, which I was delighted to hear made.

Mr. LA FOLLETTE. I was very glad to hear that declaration myself and proposed to make such further reference to it as would prevent the possibility of its being forgotten hereafter.

Mr. HALE. I want to say for myself that I do not understand the provisions reported by the committee upon this bill in any way constitute a tariff commission. In my belief the wit of man can not devise any scheme that will keep the country constantly agitated over tariff issues that will be so bad and involved in its operation as a tariff commission such as the Senator from Wisconsin is earnestly and honestly for. I do not believe such a commission would either be valuable in aiding Congress when the time comes in tariff legislation, which ought not to be often, but at far-separated spaces of time. I do not think such a commission would ever, in any way, help Congress in working out a proper result. If I believed that the provisions of the bill would do anything more than allow the President to appoint experts that from time to time will report and if necessary be sent to Congress by the President, and that it would be a commission with authority such as the Senator wants, I would not vote for the proposition.

Mr. NEWLANDS. I am unable to refer to that portion of the RECORD which contains the assurance given by the Senator from Rhode Island as to the vote of the Senator from Indiana [Mr. BEVERIDGE] upon one of these amendments providing for a tariff commission. The Senator from Indiana was not present, and he was paired against any amendment for a tariff commission, and that vote was questioned by the Senator from Wisconsin on the ground that it was well known that the Senator from Indiana was a pronounced advocate of a tariff commission. The Senator from Rhode Island interrupted and declared that the Senator from Indiana had been consulted regarding the provision of the Senate amendment as proposed by the Finance Committee; that he was satisfied with its provisions; that it gave sufficient power to the President to organize a tariff commission; and that he would not favor any amendment or change in it; and that assurance was accepted by the Senate.

So, throughout, every statement of the Finance Committee led the Senate to believe that this provision contained all the powers that were necessary and essential to enable the President of the United States to secure the information that would aid him in his power of recommendation and Congress in its action regarding tariff legislation. And so these other amendments providing in detail for tariff commissions were rejected, the prevailing sentiment being that the whole question of the organization of this commission, the qualifications of its members, the number of its members, the pay of its members should be left to the organizing hand of the President himself.

I think the conferees failed in their duty in this matter when they failed to take the sense of the Senate again on this proposition before yielding to the House conferees. I have not the slightest doubt that in the existing judgment of the Senate, had not the assurance been given, a tariff commission, with ample powers and with defined duties, would have been created by some such amendment as that proposed by the Senator from Iowa or the Senator from Wisconsin.

There is much complaint of the action of the conferees in defeating the will of Congress. I do not believe this bill as reported by the Finance Committee represents the judgment either of the Senate or of the House; but I did hope that as the result of the final action of the conferees this bill would contain the seed of a commission, to be organized under the wise direction of the President, with that conscientiousness and fidelity to duty which he has always manifested, and that it would ripen by a process of evolution into a great tribunal, not engaged in tariff making—Congress alone can perform that duty—but in correcting the excesses of the tariff, under a rule laid down by Congress, and that thus we would be relieved of this unseemly contention, this bartering, this trading, this compromising, this warfare of section against section, of class against class, and that we could then, undisturbed by these contentions, perform our high functions of legislation with dignity and deliberation.

Mr. HEYBURN. I should like to ask the Senator from Nevada a question. He says he would give this commission power to correct excesses. Do I understand that the Senator would have a commission which might during the recess of Congress, for instance, correct an excessive duty?

Mr. NEWLANDS. Individually, it is my view that Congress should lay down the rule by which the justice and the fairness of a duty should be determined; that that rule should be declared by the dominant party according to its view of public policy. The Republican party, being in power and having de-

clared the rule to be that the duties should represent the difference between the cost of production at home and abroad with a fair profit to the domestic manufacturer added, I would expect that that party would lay down that rule and authorize the commission wherever they found a duty in excess of that rule so to declare, and authorize the President, upon his approval of the finding, to reduce that duty to the standard fixed by Congress, either by a progressive approach running over a series of years—five or ten years—or decisively and immediately, as Congress in its wisdom should determine.

The Republican party has announced its own rule, and it should not be afraid to have it carried out by a competent tribunal, possessing the functions and the dignity of a court of justice; and that is a much more effective way to correct the excesses of the tariff than by those contentions here in which nothing is settled, but in which are involved bargaining and trading and compromising by interested parties, interested sections, interested States, men fighting not for the facts, but for particular interests in their district or in their State or in their section. That would be a very much better method than the method now pursued, and it would be legal and constitutional.

Mr. HEYBURN. It occurs to me, Mr. President, that the suggestion of the Senator from Nevada amounts to the letting out of government by contract to somebody else.

Mr. NEWLANDS rose.

Mr. HEYBURN. As I understand his suggestion—and the Senator will be patient with me for a moment, I will state it as I understand it—he proposes to invest a commission with the power in each case to determine the relative cost abroad and at home and fix a duty in that case. That is what his suggestion amounts to. There is not any element of stability or permanence involved at all. It might be that in the case of a strike in mills in Germany the cost would be affected necessarily. This commission would get together and say, The rate will be based upon conditions of production abroad, which are so and so. The strike is ended, and in thirty days the cost of the article abroad changes and the commission meets and changes the rate. I think that would hardly appeal to the reason or the judgment of any Senator.

Mr. NEWLANDS. Mr. President, I will simply state, in reply to the Senator from Idaho, that the discussion which he is now opening up is purely academic and I will not follow him in it. I will be glad to meet him some time when a discussion of that phase of the question becomes pertinent.

I have expressed briefly my individual views as to the extent of the powers which should be given to a tariff or customs or foreign commerce commission without argument or amplification. The question now before us is not whether a commission shall be given the extended powers which I would give them. The question is not as to whether Congress will declare the rules by which the commission shall act or by which the President shall act. The question now before Congress is whether we shall authorize the President to secure information useful for Congress in tariff legislation and useful to him in his power of recommendation.

Mr. HEYBURN. Mr. President—

Mr. NEWLANDS. The Senator will pardon me if I do not take up with him the discussion of the other phase of the question. Under present conditions, I think it is purely academic.

Mr. HEYBURN. I was not expressing particular eagerness that the Senator should take up the question. I was from my own standpoint, in my own time, making a suggestion that might perhaps throw some light upon the academic question that the Senator had been discussing. The question of tariff commissions, or boards to fix rates, is not before the Senate, and I thought perhaps the best way to call the Senator's attention to that fact was to say something myself along that line. He is very quick to criticize the fact that I was discussing a general question that was not involved, but he seemed to fail in enlightenment that he had been engaged in it for about an hour. That was my only purpose in rising.

Mr. LODGE. Mr. President, I ask leave to have printed in the Record a letter from Mr. Singleton, who is a leading worsted manufacturer of my State, replying to the statement of the National Clothiers' Association in regard to the advance in the price of worsted goods.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the letter will be printed in the Record.

The letter is as follows:

SINGLETON WORSTED COMPANY,
Franklin, Mass., July 30, 1909.

Hon. H. C. LODGE,
United States Senator, Washington, D. C.

DEAR SIR: On account of the report made by Senator LA FOLLETTE on behalf of the National Association of Clothiers, on Thursday, July

8, 1909, and since which date various newspapers, such as the New York World, the Chicago Herald, and San Francisco papers, having copied the report of the Chicago and New York and National Association of Clothiers' meeting and the report made by Senator LA FOLLETTE, we particularly call your attention to the statement, which we inform you is entirely erroneous, or a mistake made by the association in their report to Senator LA FOLLETTE, and only shows how easily the House and Senate can be misled, as well as the public, by so many false statements which have been made, and are being made, regarding the different classifications and costs in the present tariff bill. We are not afraid of animosity so much as ignorance and false statements. The following passage is the one we refer to, which the National Association of Clothiers gave to Senator LA FOLLETTE for the July 8, 1909, speech:

"The advanced prices on worsteds, which have already been announced, following the steady deterioration of fabrics in weight and quality resulting from the operation of the Dingley bill, will add to the retail prices approximately \$2.50 on a \$10 suit of clothes, \$3 on a \$15 suit, and \$5 on a \$20 suit, or from 20 per cent to 25 per cent to the cost of clothing to the wearer thereof."

We herewith inclose samples of merchandise which we make to-day and have made these grades in various patterns for the last seventeen years, and we give you the prices for 1907, prior to October, when the panic started. We give you the prices made to the trade for 1908, so as to run a plant full up and avoid loss of money under a panic price on wool and yarns created by a financial panic which affected the world. We give you the prices we have sold the merchandise at on styles: 7751, 12 ounces, 57 inches wide; 8181, 13 ounces, 57 inches wide; 8198, 13 ounces, 57 inches wide; 7627, 13 ounces, 57 inches wide; 7781, 11½ ounces, 57 inches wide; 3802, 11½ ounces, 57 inches wide; 7921, 13 ounces, 57 inches wide; 7219, 13 ounces, 57 inches wide; which are light-weight goods to be worn for the summer of 1910 and which merchandise we shall be making in our mill during this fall and winter.

We also give you prices on styles:

7939-2, 16 ounces; 7940-2, 16 ounces; 7931-4, 16 ounces; 7934-1, 16 ounces; 7934-2, 16 ounces; 7935-4, 16 ounces; 7090, 18 ounces, 57 inches; 7726, 16 ounces, 57 inches; 7684, 17 ounces, 57 inches; 7800, 17 ounces, 57 inches; 6819, 19 ounces, 57 inches.

We give you the prices clearly marked for the years 1907, prior to the panic, on merchandise sold also in 1908 during the panic, and the price the merchandise must be sold for 1910 on this day's market price of worsted yarns made on the high-cost wool of this date. You will find on each piece tag marked the advance over and above the price of merchandise sold in 1907, prior to the panic, which will give you at a glance how much mistaken the National Association of Clothiers are in this statement they present to Mr. LA FOLLETTE.

On style 7627, which we sold in July, and which goods will be worn by the consumer in 1910, the whole total cost on 3½ yards of cloth to the clothier will be 79 cents on a suit, and on another cloth sold it will only be 44 cents on a suit. On the heavy-weight merchandise, if sold for the winter of 1910 on to-day's basis, the advance on a suit made from 3½ yards of cloth would be from 45 cents per suit on the cloth to 88 cents. Thus the National Association of Clothiers are going to charge an excess cost to the retailer or consumer and have the public believe that the manufacturer who runs a mill making cloth is the cause of this excessive cost.

In following the many examinations before the Ways and Means Committee, and in reading the many statements made not only in the House and Senate, but through the papers of this country, we find that the greatest danger existing to-day is the large amount of false statements or mistakes made by those who report regarding their merchandise, their business, and how they will be ruined by any change downward in this tariff. We are sorry to trouble you with this statement, but we do it so as to correct part of the errors already published, if possible.

We are in favor of free raw materials, which means free wool as well as hides, and a lessened duty on the manufactured articles, whether it is worsted goods or woolen spun goods woven into cloth, or any other class of merchandise. We are fully convinced to-day that those who are talking high protection have forgotten the memorable speech, which should be printed in gold, that William McKinley made the day before he was shot at Buffalo. We think the Republican party as well as the Democratic party have greatly neglected that speech and the intentions of the honorable gentleman prior to his death in making that speech. It is high time to take this tariff bill out of politics and out of sectionalism, as we see from all parts of the country, and to create a tariff commission and to revise this measure downward more speedily than it has been for the past thirty-seven years, thereby giving to the consumer every article that they use at lessened cost and also raising for the Government a revenue commensurate with this Government's retrenchment and cutting down of the high expenditures which they have dissipated in during the past twelve years. If under William McKinley during the Spanish war they could raise a good share of revenue by a stamp tax, which is easily collected and very easily paid, without much feeling of loss to the payer or great expense to the Government in collecting, why not resort to the stamp tax again and not quibble so much about a tax on corporations or keeping up these high tariffs on wool and other manufactured articles?

We trust you will make use of these samples and this information in correcting the statement made by the National Association of Clothiers. We have gone into these particulars very carefully and can assure you of the accuracy.

You will notice the number of ounces per yard these cloths weigh and also the width marked opposite each style on this letter. These are the popular weights for summer and for winter which the clothing trade have demanded for the past four or five years. When the clothing association makes a statement that the manufacturer is skimping the weight from 22 ounces down to 16 ounces for winter weights and from 16 ounces down to 12 ounces for summer weights, they are simply misleading the public, as well as you gentlemen. The present civilization has demanded 10 to 12 ounce goods of worsted cloth for the heated summer months and 2-piece garments, and for winter, on account of the excessive manner in which all railroad cars, elevators, and office buildings are heated by steam, it would be suicidal to use the weights that our forefathers wore, namely, 22 ounces per yard. If any clothier wants 22 ounces per yard for certain special northern sections of this United States for colder seasons, the manufacturer of the cloth will be only too glad to oblige them; but the clothier, as a rule, asks for the weights and has given him what he asks for.

Apologizing for this lengthy letter, and with kindest regards, we are,

Yours, very truly,

SINGLETON WORSTED CO.,
GEORGE F. S. SINGLETON,

Treasurer.

Samples sent under separate package.

Light weights, or summer goods.

Style.	Weight.	Width.	Price sold at in 1907.	Price sold at during panic, 1908.	Price sold at in 1909.	Difference in price over the years 1907 and 1908.	
						Over 1907.	Over 1908.
	<i>Ounces.</i>	<i>Inches.</i>					
3802.....	11 ²	57	\$1.25	\$1.10	\$1.30	\$0.05	\$0.20
7351.....	12 ²	57	1.37 ²	1.27 ²	1.50	.12 ²	.22 ²
7219.....	13	57	1.37 ²	1.27 ²	1.50	.12 ²	.22 ²
7781.....	11 ²	57	1.00	1.12 ²			.12 ²
7627.....	12 ² /13	57	1.62 ²	1.47 ²	1.70	.07 ²	.22 ²
7919.....							
7920.....	12 ² /13	57	1.62 ²	1.52 ²	1.75	.12 ²	.22 ²
7921.....							

If the clothier uses only 3½ yards for a suit pattern, then the cost on highest grade would equal on a suit 79 cents.

Lowest grade would equal on a suit 44 cents.

This is on light summer cloth for suitings for 1910 summer.

Heavy weights, or winter goods.

Style.	Weight.	Width.	Price sold at in 1907.	Price sold at during panic, 1908.	Price sold at in 1909.	Difference in price over the years 1907 and 1908.	
						Over 1907.	Over 1908.
	<i>Ounces.</i>	<i>Inches.</i>					
7931.....	16	57	\$1.65	\$1.60	\$1.75	\$0.10	\$0.15
7932.....							
7934.....							
7935.....							
7990.....	18	57	1.90	1.75	2.00	.10	.25
7900.....	17	57	1.60	1.50	1.70	.10	.20
7729.....	17	57	1.50	1.42 ²	1.65	.15	.22 ²
7684.....	17	57	1.75	1.65	1.90	.15	.25
7939-2.....	16	57	1.87 ²	1.37 ²	1.60	.22 ²	.22 ²
7939-4.....	16	57	1.87 ²	1.37 ²	1.60	.22 ²	.22 ²
6819.....	19	57	2.00	1.90	2.12 ²	.12 ²	.22 ²

Price to-day for winter weights, 9½ to 13 per cent above the lowest panic price of 1908.

Mr. CLAPP. Mr. President, while I realize, of course, that the Senate has grown somewhat weary of tariff debate, yet the position we are in is a somewhat peculiar one, and, in common with others, feeling that I am right in this matter, I propose to trespass upon the time of the Senate in stating the reasons I have for my position.

When this bill passed the Senate I voted against it. In my humble judgment, while the conferees have grudgingly granted some slight concessions, they have added to the evils of the bill to an extent that is so infinitely worse I can not in justice to a sense of duty vote for the conference report.

When the tariff debate began, for a while I supposed that the issue involved in this revision was the mere issue of rates as related to the question of free trade or protection. But it soon became evident that the matter of protection bore no relation whatever to this discussion, and it was apparent that free trade was no factor in the discussion, because there is no free-trade sentiment in this country, in Congress or out of Congress. The fact that protection was not a factor in the motives of the forces that framed the bill is found in this: That the bill was not fairly framed to develop American industries nor extend the foreign markets for American products; that the broad principle of protection has been thrown to the wind and ruthlessly trampled under foot whenever it served a particular purpose to do so.

What, then, was the real issue in this revision, for there must have been an issue, or at least the Senators who participated in this long struggle must have believed there was an issue? To understand what the issue was, what the demand meant, and its source, we are brought to examine somewhat the genesis of this revision. We find that in 1897 the Dingley law was passed—at a time of universal industrial depression—and passed to restore industrial activity. It accomplished that purpose, or, to avoid any controversy, I may say that coincident with its passage and going into operation there came a return of industrial activity to our country.

There were men then—such men as Garfield and John Sherman—who saw further than the great majority of people. They saw that in renewed activity there might come a condition when the Government should be invoked, not for the purpose of protecting American industries from foreign competition, but to protect the American market against the elimination of domestic competition.

In a little while that condition began to develop. In a little while people began to see a new movement in our midst. They saw prices ascending and they traced the ascension of those

prices to a condition where combinations on one hand and the elimination of competition upon the other began to mark the price of products in our market.

There was a time in the history of this question when as protectionists, not only truthfully but logically we could say that a protective tariff as distinguished from a revenue tariff was not a tax and was not, generally speaking, added to the price of the domestic commodity. That was true so long as the tariff system protected our home market and competition, stimulated by that protection, regulated the price within our own country, as I had the honor of pointing out in a previous speech on this same question.

Now, whence came the demand? The distinguished Senator from Massachusetts [Mr. LODGE] a short time ago made the statement, if I recall it correctly, that the consumer is a myth. There was a time in the history of the tariff in this country when, economically speaking, it could be said that the consumer was a myth, because in the wide equation of benefits, in the activity which a protective tariff stimulated and brought on, and in the sense of those who did not participate in that benefit the consumer was a myth.

But the moment that you eliminate competition, the moment you fix price above that reasonable price which is the legitimate outcome of reasonable protection, measured by fair competition, then you add a profit to the production in which no one participates except those who add and take such added profit.

To illustrate, if a commodity can be put upon the market for \$1, and that includes a fair return for the investment and for the labor, all participating more or less in the benefits of the activity involved in its production, it might be said, economically speaking, there is no consumer; that is, as distinguished from those who participate in the benefits of such activities. But if by some process an additional 50 cents is added to the price of that article, 50 cents in which no one participated save those who make that additional price, then immediately everyone who contributes to the additional price does become, economically considered, a consumer.

In the process by which prices were thus advanced in this country there not only came this demand, but it came from that great mass of the people who were not participating in the added price placed upon commodities by the power of combination and the elimination of competition.

This demand was made, and when this debate started we heard the words "downward revision" and "upward revision." This demand for revision, then, was made because prices had in many cases reached an abnormal point through abnormal forces, and it came from the consumer, as above described, not as a protest against protection, but as a protest against a price often maintained by reason of a tariff which in the economics of production had outgrown its legitimate purpose of protection. Men must ever rally around something as a standard. In a few days we began to hear the words "free trade" and "protection." But it often happens that rallying words only befog and becloud the situation. Back of these words, which seemed at first to mark an issue, but subsequently developed as mere rallying standards, there gradually began to develop a force never before accentuated in the legislative history of this country. As we watched from day to day we saw this commodity or that commodity slaughtered at the hands of the forces that were driving this bill through the Senate whenever it seemed to serve a particular purpose. We began to realize that protection had been abandoned, and in its place was the purpose to perpetuate, uphold, and intensify profit.

The issue to-day, therefore, is not between free trade and protection, but the question is whether what was once a benign factor in American legislation shall now be used for the sole purpose of profit. You can trace the growth of that force in the genesis of this bill from the very start to the very finish of its formation and the process of its enactment.

I want to call attention to a few of the circumstances that demonstrate the correctness of my position upon that question. Take the subject of sugar, and I am not going to weary the Senate with statistics and figures. There are a few concrete facts. The American people do not consume raw sugar; they consume refined sugar. Any process which does not reduce the price of refined sugar does not benefit the American consumer. On the other hand, the sugar refining force of this country, being practically the only purchaser of raw sugar, is the only beneficiary of the reduction in the tariff on raw sugar, and the only one which will suffer at the hands of Congress in raising the duty upon raw sugar.

We reduced the duty on refined sugar 5 cents a hundred, a mere bagatelle, and in the face of the overwhelming evidence brought before the Senate, still leaving a protection that, com-

paratively speaking, is absolutely prohibitive to the importation of refined sugar.

Then we sought to place a legitimate tax upon raw sugar, but were met at every step by the opposition of the force that was dominating the situation. What would be the effect of an additional tax upon raw sugar? Simply to lessen the power of the sugar trust, and at the same time add to the revenues of the Government. It would do more than that. In proportion as the sugar trust had to pay a higher price for its raw sugar, just in that proportion the sugar-cane grower of this country would receive the benefit of protection; and if this bill had been framed along the line of protection, his rights would have been protected in that particular. But no, there must be nothing done there.

Then beside the cane-sugar man stands the beet-sugar producer. His ability to live depends upon the absence of the power of the sugar trust to crush him; and every time that we add these millions to the already swollen profits of the sugar trust we make that trust much more ready and certain to destroy and overthrow the beet-sugar industry of the country. It is a marvel to the beet-sugar industry of this country that it has been able to stand the assault of the sugar trust.

But I fear from the manner in which votes were cast in this Chamber that that industry is so completely enveloped in the fear of the sugar trust itself that it has not left the independence to assert its rights upon this floor.

Not only refusing to add to the tax upon raw sugar in the interest of the southern sugar grower and the western beet-sugar men, we have gone a step further and provided for the introduction to this country from the Philippines of 300,000 tons of raw sugar free of duty. It would be interesting to have some one point out the element of protection in that proposition. It takes out of the revenue; it serves no purpose in reducing the cost of sugar to the American consumer, because it must first pass through the capacious maw of the sugar trust, and simply brings in that amount of raw sugar in competition with our own product and adds to the already swollen coffers of the sugar trust. I will not waste time to argue that it does not benefit the Filipino, for no advocate of free raw material would stand on this floor for a moment and insist that he was demanding free raw material in the interest of the producers of the country from which it came. To do so would be a *reductio ad absurdum*.

Now, we take the question of tobacco. We find here a proposition to reduce and cheapen the importation of manufactured tobacco into this country. We have in this country to-day some 12,000, I am told, American cigar makers who are traveling the streets of our cities, begging for an opportunity to earn a living in making cigars. Yet this bill provides that an American capitalist can go to the Philippine Islands, and there exploit the cheap labor of the Orient, bring the product of that labor into our own midst, and dispense it in competition with the labor of this country out of employment and seeking work; and because we oppose that unrighteous proposition we are characterized as free traders. I say that when the Senate proposed and carried through a proposition to allow American capital to thus exploit the cheap labor of the Orient and bring it in here against our unemployed labor it was the total abandonment of the principle of protection.

Yet we are told this was in the interest of protection. I assert again that protection was thrown to the winds wherever it served the purpose of American interests to inordinately add to their profits.

Now, we go a step further. In this tobacco controversy we find a peculiar condition. We find a giant trust that already has absorbed all but about 4 per cent—and I speak by the authority of one of the distinguished members of the Finance Committee—of the manufacture of tobacco in this country, and yet, with ruthless hand and insatiate greed, it reaches out to strike down the little independence that is left in the American market.

It is a small thing, this coupon proposition. It is a little harmless-looking piece of paper. Yet independent tobacco men tell me that there is no force so potent in the hands of the trust as that coupon. That coupon holds out to the purchaser the delusive idea that if he gets enough of them, if he squanders enough money for tobacco, he will get back a little return in the form of a practically worthless present.

I say again that the tobacco trust by using these little coupons can draw the trade away from the man who does not use them, who can not in his small and limited business afford to use them, and for the little time necessary to crush out its competitor the great trust is able to and does use them.

The Senate, in its passage of the bill, eliminated that coupon. The conference report has brought it back here again. I should

like to ask what purpose it serves, what American industry is protected by that device? None at all. It can only serve the same purpose served in letting in free raw sugar and free cigars; no benefit to the consumer, but an added profit to the insatiate greed for inordinate profit, a greed to which it seems everything must be sacrificed.

Mr. President, last fall it was my privilege or province, or perhaps misfortune, to campaign; and in that campaign I held up to the people of our country the ridiculous, as I characterized it, proposition of Mr. Bryan, that the way to control trusts and monopolies was to legalize a certain per cent and penalize all above that per cent. I little dreamed then that within a few months I would stand here on the floor of the American Senate and combat that proposition advanced here by the forces which dominate this bill. I believed it was ridiculous then. I believe it is ridiculous now. Yet, take this sugar proposition with the Philippine Islands. We have had brought to our attention that those poor Filipinos are down on bended knees begging for a gratuity at our hands. With tears in our eyes we listen to their prayer until we grant them the privilege of sending in 300,000 tons of sugar, and then we stop. There we dry our eyes. If sympathy for or duty to the Filipinos warrants our sacrificing the American cane raisers to the Filipino raw sugar, then it warrants us in letting into this country all the raw sugar which those distressed people may raise. But there is no warrant for it.

The shifting sands of expediency form an unstable basis for legislation, and this 300,000-ton proposition is a compromise. It is the limit perhaps which the great sugar-refining interests needed to reach a point at which they could then further stifle the southern cane grower and further overthrow the western beet-sugar raiser.

Now, we come along and find this same principle creeping out in another proposition. When this bill was in the Senate we put in it a sort of a vague, shadowy proposition with reference to a tariff commission, the most which could then be done. It was too weak and too lacking in virility to require any meddling with; but what little strength and vigor was left in it was eliminated by the committee in conference. That provision as it passed the Senate provided that the men employed by the President might get information for the benefit of Congress. The conferees have stricken that out. It is a peculiar picture that the Senate presents to the American people in deliberately striking out of its enactment a provision for bringing information before its body.

After eliminating that portion of the provision relating to getting information for Congress, it is now claimed that the President, under the provision as it remains, can get the same information, but it will be seen that he is only authorized to get information that will enable him to carry out the provisions of the bill. The only provision of this character is the maximum and minimum provision. The only question involved in that is the terms accorded our Government by foreign governments. It does not and can not go to the vital question so essential to settling an American tariff bill, namely, the difference in cost of production in this country and abroad.

Mr. President, I leave that without any further comment, and I leave it to be taken care of by the men who performed that operation. It could only be for one reason. It is only another link in the indisputable evidence found in the bill, from one cover to the other, that the purpose of the bill is not protection, but profit. If profit is to be the idol before which Congress must kneel in the future, then we want no information concerning the difference in the cost of production here and abroad. All we need to heed is the demand of those who want to dominate the American market. Think again, if you can, of the American Senate deliberately striking down the proposition to bring information to the doors of the Senate for the use of the Senate in framing economic legislation.

I have never been very much impressed with the idea of an advisory commission. The sad experience we had in our Inter-oceanic Canal Commission has been a lesson that we ought to remember. I want to say here to-day—it may be years before it comes—but some day Congress will meet this tariff problem in the same wise manner in which it met the rate problem. Instead of having it a part of the "pork barrel" of legislation, it will be relegated to a tribunal having something of the obligation, something of the duty, and something of the sense of duty that rests upon a semijudicial tribunal. But the proposition, simple as it was, had to be stricken out in order to keep information away in the interest, not of protection, but of profit.

I do not like to stand here and make these statements, and yet I am reconciled to the situation by the fact that if I am mistaken it is an error and it will do no harm. If I am correct,

it should be made. If it is a fact that the time has come when Congress proposes deliberately to turn back the hand of the clock to where we were seven years ago, the sooner the American people understand and realize that fact, the better for all.

I now come to the most conclusive proof of all that this bill is framed not for protection, but for profit. During this discussion there came the proposition of an income tax. There was some difference of opinion as to whether the court would reverse its decision in the Pollock case and sustain an income tax. Personally I did not have a moment's doubt about it. It became evident that an income tax would pass. Something had to be done, and it had to be done promptly. So we were met with the proposition of what is called a "corporation tax."

Again I want to remind the Senate that the shifting sands of expediency are an unsafe foundation. The proposition, popular as it might have seemed, failed at the outset to appeal to the public. There are two classes—those who believe in fair play, and they could not see the justice of a provision which, if warranted at all, should be a state tax, which taxed one set of individuals without taxing their competitors in the same business, perhaps on the same street; and those in another class, who feel that great wealth does not bear its burden of taxation. This bill did not appeal to them because it violates a cardinal principle of taxation, that taxation, as far as possible, should be upon permanent, and not precarious, incomes. This bill exempts the bondholder, the holder of preferred stock—these securities usually representing the permanent income—but would tax, in the last analysis, the income of a more precarious nature, found in the ownership of the stock itself. Between these two conditions it is natural it would fail of being popular.

When the people upon whom this tax rests find out, as they have and as they will find out, that, after all, the great, powerful corporations of this country are exempted from the tax, it will be even more unpopular than it is to-day.

It was proclaimed here that we were going to have publicity by this measure. Now, what publicity can we get through a tax law? As to interstate corporations, we have the authority and the power, and my distinguished colleague [Mr. NELSON] a few years ago had a law passed reaching that subject. If that law is not ample, it can easily be remedied. It is a queer idea that we should turn to taxation as the means of obtaining publicity with reference to interstate corporations.

When it comes to a state corporation, doing business only within the State, I undertake to say here, and no lawyer will dispute me, that we can obtain no publicity as to those corporations save that publicity which alone is necessary and requisite to the purpose of taxation. That is not the publicity which we desire in this country so much as we desire the light to be thrown upon those mystic arrangements, those hidden conditions, under which the American market is monopolized and controlled.

That fell, of course, of its own weight. Anyone could see at a glance that we gain nothing of publicity by this act, such publicity as the American public are seeking for and which they require in this gigantic struggle with what the Attorney-General of this country himself characterized as the "great trusts and monopolies."

We come to the question of net income in this law, and we find this peculiar feature: It provides that after a corporation shall deduct from its gross earnings its expenses, its maintenance, and actual deterioration and loss, then it may deduct the amount of interest actually paid upon an indebtedness equal to the stock, and no more.

Now, if there had been no reference at all to interest, it might have been claimed, possibly, that under the expense claim you could deduct interest, but when you come to specify interest you exclude it from the expense account; you turn to the interest clause for your authority, and there it is written into the law that no matter what the necessity of that corporation, no matter how legitimate its business, no matter how legitimate its means, when it comes to the end of the year it can only deduct such interest as the interest on an indebtedness equal to its capital.

It may be said that this was to prevent corporations from transferring their ownership from stocks to bonds. I could understand that feature of it; but it goes further and places this limitation upon all indebtedness of the corporation. It is no unusual thing that a business corporation during the course of the year would pay interest upon an amount in excess of its actual stock.

You have done this: You have either placed a limitation upon legitimate activity or you have thrown into this bill an invitation to extend stock beyond any reasonable limit, solely for the purpose of adding to the exemption that much more interest from the interest account. The framers of the measure

can take their choice as to either horn of that dilemma which they may prefer to cling to.

That it is an unfortunate provision, that it is difficult of construction, will be apparent to any man who will read it. Such a condition will always grow out of the effort to try to apply a right conclusion to a wrong principle. There never was human ingenuity yet that could take a wrong principle and work out a right result. They will be confronted with that proposition so long as they pursue the investigation and the administration of this law.

But while they have shown a disregard for the rights of the small corporation as to deducting its interest, they have been very careful to protect the great trust and combination by exempting it from taxation. This is done by a provision that a corporation may deduct from its gross receipts its revenue derived from the investment of its capital in the stocks of other corporations and to that extent, and where the entire capital is so invested to the extent of the entire exemption, the great dominating corporations are exempted from this so-called "corporation tax."

I am one of those men who do not believe that a principle ever gained anything as a principle because it had authority behind it. The earth had revolved just as certainly during the countless centuries when it was believed to be stationary, as it has since we have come to know it does revolve.

But there is something in the human mind that naturally seizes upon and attaches itself to authority and precedent, to the declarations of others, and in obedience to that prompting I am going to refer to a speech made by the Attorney-General of the United States upon this trust problem a few days ago.

This is from an interview with Mr. Wickersham at Paducah, Ky. I read now from *The Independent*, a magazine which is recognized as being careful and conservative. In speaking of these trusts the Attorney-General suggested that the remedy was to let each State pass a law prohibiting a company from doing business within its borders where more than one-half of its stock was held by another company. I do not care to discuss that as a remedy, but I want to pass on to his discussion of the situation. Speaking of these great companies, he says:

We hope that certain lessons have been taught to the great vested interests of the country, but it remains to be seen how thoroughly those lessons have been learned. We hope that they have been so well learned that to a considerable extent the ax may be laid aside, but we have it ready to hand if it be needed.

In that utterance the Attorney-General voices, I think, the general sentiment of this country that, after some seven years of somewhat active legislation and administration, a time had come when we might perhaps abate some of our activity until matters adjusted themselves to the new conditions. That was the attitude of the Attorney-General. But while the Attorney-General has laid the ax aside, ready to be used when it is needed, Congress has done something else. Congress has built a splendid canopy over these trusts and combinations to shelter them from the storms; it has built a granite wall around them to protect them against the taxgatherer; it has taken out the watering pot and proceeded to place fresh life and invigoration in the roots of the tree itself.

Now, I read a little further from the Attorney-General's speech. He goes on to say, speaking of these holding companies:

The device of the holding corporation is the only thing which has made possible the rapid growth of the great trusts and monopolies, and such a prohibition would go far toward their destruction.

A prohibition against the holding companies; and yet here the mere proposition to tax the holding companies is met by Congress with a piteous plea that we must not impose double taxation. It is said that this device, which the Attorney-General says is the only means by which trusts and monopolies have been built up, must be safeguarded against double taxation. We are met with the suggestion that this is double taxation. I think I must spend a moment analyzing that proposition.

We are very apt to confuse the tax with reference to the individual and with reference to property. If a man owns 12 farms and every farm pays its tax, will any man say that the owner of those farms is subject to double taxation? If on the 1st day of January a man has \$5,000, if on that day he makes his return of personal property, if during the summer he invests that money in land, and in October, as is the case in some States, the assessment is made upon land, and his land is assessed, will anyone for a moment say that that man is subjected to double taxation? The property is taxed, and it is the property that bears the burden of taxation without reference to the owner himself.

Without caring to quote authorities, yet in response to the general demand for authority upon the subject, I want to refer to the remarks of the junior Senator from New York [Mr. Root]. I understand he was partly responsible for fram-

ing this piece of legislation, and so his authority upon this question must be accepted; at least it is entitled to great weight and deference.

As to the tax upon corporations, you may split hairs if you will; you may say it is a franchise tax; you may say it is a tax upon business or a tax for the privilege of doing business, but it can not be stated any more concretely nor any more plainly and comprehensively than the junior Senator from New York himself stated it when he said:

It is not the profits that would be subject to the tax, but the privilege or facility of transacting the business through corporate form.

Taking the farm illustration again, instead of a man owning 12 farms, we will say if a man owns an interest in 12 distinct facilities for doing business, because each of those facilities is taxed, will it be said that he is unjustly taxed? Each facility, like each farm, must pay its own share of the tax.

Now, we go a step farther with the language of the distinguished Senator. He says:

It matters not from what source may come the income which is seized upon by the law as a measure for the value of the facility or privilege which is taxed.

It is the facility which we tax. If the man wants to own and is able to own more than one facility, he must, in the last analysis, bear the burden of taxation upon every facility, as he would upon every farm which he was fortunate enough to own. That this is not double taxation in any sense I cite another authority.

In the Supreme Court Reports of the United States, volume 163, will be found the case of *The United States v. Burkett*. This case arose in New York. There was an inheritance tax in New York, and the man died and left his estate to the United States Government. Two questions were involved. First, was the United States a corporation exempted from the law as it did exempt certain corporations, especially religious and benevolent corporations; and, second, was it a tax against the United States?

The Supreme Court, after analyzing the case, held that the United States was not exempted by the terms of the act, but it also held that the imposition of a tax upon something before some one else got that something was not an imposition upon the final beneficiary.

That case is on all fours with this proposition. Until the holding company receives its income it can not be taxed. When that income comes to that company, it can not be said to have been taxed any more than the legacy was a tax against the United States. The income is what is left after that tax has been paid.

Suppose a man should own \$100,000 of stock in a railroad company in a State where under the law the railroad company pays its tax and then turns over to the stockholder \$5,000 as dividends earned upon this stock. The 1st day of May comes around, when he should make his return of personal property. If he should withhold that \$5,000 from the return of his personal property upon the ground that that \$5,000 has been once taxed, he would be laughed at and prosecuted in addition. No sane man for one moment would claim that the money which he had received as a dividend from railroad stock, upon which the railroad had paid its tax as a railroad company, was exempt from further taxation in the hands of the individual simply because it had been lessened somewhat by virtue of the fact that the railroad company had paid its tax. That is this proposition resolved into a nutshell.

Here is the larger company; here is the company which the Attorney-General himself has branded as the sole means of creating trusts and monopolies. It gets its income from stock which it holds in other companies. The other companies are taxed for what? For the facility; and this stockholder in the dominant company must stand his share, in the last analysis, of the tax upon the facility with which he is connected, namely, as stockholder in the dominant or holding corporation. I am perfectly willing, Mr. President, to submit this question to the good sense of the American people.

Mr. President, it has been said—and I will not speak for others—that I am not a Republican because I have had the temerity to stand up against a bill which from one cover to the other breathes only one purpose—not protection to American industries, but the absolute slaughter and abandonment of protection whenever it serves that insatiate purpose of profit. If that is disloyalty to Republicanism, it is not my concept of Republicanism. If it is disloyalty to Republicanism to fight against a proposition of this kind simply because a majority of those who happen to be to-day in this body of my own party support it, that is a test which I will not recognize. I do not want to enter into partisan debate; but my concept of the weakness of Democracy has ever been that from time im-

memorial it was a law in the autonomy of Democracy that the leaders should hand down to the masses their doctrine, their judgment, their purpose, and their policy.

As a Republican, it has been my belief that one basic principle in the autonomy of Republicanism from the hour of its birth, when it left its destinies to that great patron saint of the Republican party, Abraham Lincoln, was that it was a party that came together from the people; and that another basic principle was that those whose might be in a position to be called "leaders" should reflect the will of the people, rather than seek to dominate them. That, in my judgment, is the reason why the Republican party has more often achieved success in solving the public questions than the party of my friends across the aisle.

That is my creed. It is not for any Senator, or for any number of Senators, to say what is the doctrine of Republicanism. There is but one tribunal before which to try that question, so far as I am concerned, and that is the rank and file of my party. I submit the question to them confident of a triumphant verdict, and absolutely reconciled to a cheerful acquiescence in whatever that verdict may be.

The VICE-PRESIDENT. The question is on agreeing to the conference report.

Mr. BRISTOW obtained the floor.

Mr. BAILEY. Mr. President—

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Texas?

Mr. BAILEY. Mr. President, the Senator from Texas took the floor, not because he desires at this time to address the Senate, but because he desires to delay action until other Senators who desire to speak upon this question can have the opportunity to do so. I understand that there has been reached substantially, if not exactly, an agreement for a vote on this conference report; but there are five or six Senators who desire to address the Senate before that vote is taken. In order that every Senator may be advised as to when the vote is to be taken, I think it might be just as well now, as later, that some agreement should be entered upon the record.

Mr. CARTER. Mr. President—

Mr. BAILEY. Does the Senator from Montana rise to inter-rogate me?

Mr. CARTER. I rise to inquire of the Senator from Texas as to the time which, in his opinion, it would be agreeable to fix for a vote?

Mr. ALDRICH. Mr. President—

The VICE-PRESIDENT. Does the Senator from Texas yield to the Senator from Rhode Island?

Mr. BAILEY. Mr. President, I believe that by 2 o'clock on the day after to-morrow the Senators who desire to discuss the conference report will have said what they deem it necessary to say, and, in my judgment, the Senate will then be prepared for the vote.

Mr. CARTER. Mr. President, the Senator from Rhode Island [Mr. ALDRICH] having entered the Chamber, I will forego any further interrogatory of the Senator from Texas at this time.

Mr. ALDRICH. I ask unanimous consent that the vote be taken upon the adoption of the conference report on Thursday next at 2 o'clock.

Mr. BAILEY. Mr. President, I want it understood that this does not include a vote—

Mr. CLAPP. Mr. President, will the Senator pardon an interruption?

Mr. BAILEY. I want to conclude the sentence, and that is, that this agreement or understanding does not involve what is understood to be a supplementary proceeding, to correct an error, because I am free to say that if we were to attempt the correction of all errors it might take almost as much time perhaps as was required to formulate the bill.

Mr. BEVERIDGE. That would come up afterwards, would it not?

Mr. BAILEY. That must come after the vote on the conference report.

Mr. CLAPP. Mr. President, will the Senator from Rhode Island care to answer the question of whether he intends to bring in a resolution as outlined in the press this morning?

Mr. ALDRICH. I have not seen any statement of the press at all. There are some manifest errors in the bill that may require a concurrent resolution as to enrollment, but my present purpose does not extend beyond that.

Mr. CLAPP. I did not know.

Mr. BACON. I should like to inquire of the Senator if there is any precedent for any change in a bill or the terms of a bill by a concurrent resolution?

Mr. ALDRICH. I would prefer that the Senator should excuse me from entering upon that discussion now.

Mr. BACON. I think we ought to be upon notice as to what extent this matter will be open, because, while there may be some things in this bill that the Senator from Rhode Island would like to change, there are a great many things in it that some of the others of us would like to change. Therefore, when we are coming to an agreement as to the disposition of this matter, it seems to me entirely proper that we should be taken at least into the confidence of the Senator—

Mr. ALDRICH. I should not feel like making a proposition—

Mr. BACON. I think I have the floor, and I have not yielded to the Senator from Rhode Island.

The VICE-PRESIDENT. The Senator from Texas [Mr. BAILEY] has the floor, and the Chair understood that he yielded to the Senator from Rhode Island [Mr. ALDRICH], and the Senator from Rhode Island in turn had yielded to the Senator from Georgia [Mr. BACON].

Mr. BACON. Very well; if the Senator had yielded to me, he certainly ought to allow me to complete the sentence.

Mr. ALDRICH. If the Senator will permit me, I will withdraw the request for unanimous consent.

Mr. BAILEY. Then, Mr. President, I renew the request that on the day after to-morrow at 2 o'clock the Senate proceed to vote on the conference report only, it being understood that the resolution, which we are advised will be introduced, is a subsequent matter, to be taken care of in its own way.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Texas?

Mr. BRISTOW. Mr. President, the senior Senator from Wisconsin [Mr. LA FOLLETTE] desires to speak on this conference report, and I do not know whether that request would be agreeable to him.

Mr. BAILEY. I have been advised that the Senator from Wisconsin has expressed his assent to this arrangement.

Mr. BRISTOW. That is satisfactory to me.

Mr. BAILEY. And before I had assented to it, I had inquiry made of him. I want to say, however, that this only comes to me at second hand, but I have no doubt that it is true.

Mr. CUMMINS. Mr. President, word was sent directly to me—

Mr. SMOOT. And also to me—

Mr. CUMMINS. That the Senator from Wisconsin is quite willing that a time should be fixed.

The VICE-PRESIDENT. Is there objection to the request? The Chair hears no objection, and it is ordered that the vote be taken at 2 o'clock on Thursday next.

Mr. DANIEL. Mr. President, I only desire to make a brief statement, not a speech. The Democratic members of the Finance Committee have in course of preparation a statement on this bill. They went to work, together with the experts employed upon it, immediately upon the bill being placed at our disposal in a convenient form. From that hour, as I have already stated to the Senate, it had been repeatedly stipulated between the Democrats and the Republicans of that committee that we should have one day to consider it, and then meet them in conference, which would have been the first conference that we were permitted to attend, although ordered by the Senate to attend. A little child can lead a horse to water. The Senate, with its supreme command, led all these horses to water; but a small syndicate among them took possession of the river and would not permit a Democratic horse to drink of the Constitution and laws of this country, and compelled him by force to disobey the command of the Senate to discharge the duties assigned to him.

In one respect—and I speak with the language and with the intent of truth and justice—the Republican conferees acted with courtesy and also with some consideration; that is to say, they furnished to the Democratic conferees, that they might be able to open with some help the side show they were expected to conduct, two expert accountants and clerical help—two clerks. These expert accountants went to work the moment on Thursday evening that they received the intelligence that the bill could be used for the purpose of computation. They have been incessantly at their work, a portion of which, including a majority of the schedules, is now in the hands of the Public Printer. The residue, it is hoped and believed, will be finished to-night, and without some unexpected trouble we hope to-morrow to lay that statement before you, and if there is any mind open to conviction, we hope that mind will be affected by it.

I saw this morning in a newspaper an invented jest. It was a statement of a reporter that the chairman of the Finance Committee had said with respect to Mr. DANIEL that he had gone out to witness the exhibition of the Wright aeroplane. Mr. DANIEL, for the first time, did go out to see the aeroplane, and he saw it in a subdued condition, in which it could not fly. He had barely got

upon the ground, when the distinguished chairman of the Finance Committee came in his much swifter automobile, after, as I understand—I can only speak of things that I saw with my eyes and heard with my ears—after making all arrangements for the report to be immediately sent to the House of Representatives, to which it swiftly sped, and the day which had been faithfully and honorably pledged by the Republican conferees of the Senate commenced at dark, in the nighttime, and ended before breakfast, without the notification which it had been stipulated over and over and over again would be given.

Mr. McCUMBER. Mr. President, so little of truth and so much of falsehood has gone out to the country concerning the rates of duty imposed by this tariff bill that I feel it appropriate now, as we are about to vote upon the adoption of the conference report, to present to the public a statement as concise as possible showing just what this tariff revision means.

Everywhere throughout the country we find a general belief that the revision of the tariff all along the line has been an upward revision. No greater error could have been published. There have been very few raises, and those for the most part are on articles that are least purchased, articles of luxury. There have been very many reductions, and the reductions for the most part are on articles that are purchased generally and which could in no sense be declared luxuries.

Those things which the great bulk of the people purchase generally are not luxuries. Those things which only a small percentage of the people can afford to purchase may be called by that name. Applying this rule of division to reductions and increases, we will find that the tariff reductions will apply to goods which we purchase of the value of—\$4,951,813,175

The duties have been increased on goods which we consume of the value of—878,756,074

In other words, the reductions are five and two-thirds times greater than the increases on all goods, including luxuries.

Most of these advances are on imported champagnes and other wines and liquors and other articles of luxury to the value of \$637,903,549.

Deducting the amount of wines and liquors and other luxuries on which a raise has been had and which are purchased almost exclusively by the wealthy, who are able to pay the revenues, we have the following:

Tariff decreases on goods amounting to—\$4,951,813,175
Tariff increases on goods (other than liquors and luxuries)—240,852,525

The decrease outside of champagne and other liquors and luxuries is twenty-one times greater than the increases, considering the value of the goods upon which the duties operate.

These figures stand a clear refutation to the false claim that this tariff bill is an increase instead of a reduction of duties on the bulk of the articles purchased by the American people.

I shall not stop to show what is the moving force that is back of all of this erroneous literature which seeks to give to the public so much of the false and so little of the truth. We know generally that the country press, for the most part, gets its information as well as its inspiration from the great city press; that the press of the large cities is supported by the heavy advertising of the great department stores and importers; that the department stores and importers are always on the side of the lowest possible duties, and exercise their power and influence for ever-greater reductions. Whether the great city press is actuated by the desire of those who furnish the advertising upon which its financial success depends, or influenced by the growing spirit of the day to assault everything rather than to present a fair, simple, and plain statement, is immaterial in this case. The fact remains that the public have been greatly misinformed as to the effect of this bill in increasing or reducing rates of duty. I am not saying that there may not be some items of duty which have not been brought down as low as possible consistent with proper protection, but on the vast majority of things which are purchased by the people, outside of the woolen and the cotton schedules, there has been a good, substantial reduction, and the cotton and woolen schedules are substantially the same as in the old law.

There has been a general change from ad valorem to specific duties. Most Senators agree that this should be done wherever possible. So many frauds are perpetrated under the ad valorem system that all countries are changing to the imposition of specific duties wherever possible. The weakness of the specific duty is that it does not bear equally on every grade of the article taxed. In changing from the ad valorem to the specific duty, while the average may be the same, it will result in increasing the duty on one grade and lowering it on another grade of the same product.

If, for instance, the present duty on cloth ranging in value from 10 to 20 cents per yard, is 40 per cent ad valorem, the duty then on a yard of cloth worth 10 cents a yard would be 4 cents. The duty on a yard of cloth worth 20 cents would be 8 cents. But if by this bill we change from an ad valorem to a specific duty of 5½ cents a yard, irrespective of value, the duty on a yard worth 10 cents would be 5½ cents, an increase of 1½ cents a yard; and the duty on the grade worth 20 cents a yard would be 5½ cents also, or a reduction of 2½ cents a yard. The average on the class of goods imported in the greatest quantity might be the same as the 40 per cent ad valorem, or even lower.

If, therefore, we select just the lowest-valued products all through the list, we might be able to show that there has been an increase over the Dingley rates, but if we will take the average quality or grade purchased we may find that there has been a reduction on one class which will more than offset the raise on the other class. When we change from an ad valorem to a specific duty, we must deal not in the extremes, but in the averages.

The cotton and woolen schedules show very little change, but even in these there has been a reduction on some of the lower-priced goods, those which are bought by the people generally.

Mr. President, every tariff bill is the result of a compromise between those who are insistent upon a very high and those who are equally persistent in their demands for a low duty. If, therefore, a tariff bill has to meet the exact demands of every Senator and Representative, no bill could ever be passed. During this session I have labored persistently and to the best of my ability for free lumber, free coal, free oil, and free iron ore, and for a substantial reduction on other articles of consumption wherever that reduction could be made consistent with proper protection.

I have not been able to secure free coal or free lumber, but I feel that my efforts in combination with those of others have resulted in securing a very substantial reduction below the old Dingley rates on these articles and on the many others in a table which I have prepared and will insert without reading.

Mr. President, I have felt it my duty in my labors for what I regarded as party pledges to work with the Committee on Finance, of which I am a member. I could hope for little influence in my efforts to secure the lowest possible reduction in the committee if I had voted against every item that did not exactly meet my views. I voted for the bill when it was up for final passage in the Senate. I felt that there were some rates that were unnecessary, and hoped that the conferees might possibly bring out a better result. I have been at all times in hearty sympathy with the President and acting and working in harmony with him for lower duties upon specific articles such as lumber, coal, and so forth. I have not agreed with him upon the matter of the reduction of the duties upon hides. I would, however, not allow that little difference to place me in opposition to the President in his efforts for general reductions. If the Northwest and my State suffer by reason of this, I have no doubt the President thinks we will gain an equal amount by a reduction in the price of boots and shoes and other leather articles upon which corresponding reductions have been or will be made. I have much doubt of any benefits we will secure by any reduction of the duties upon boots or shoes or leather goods. I do not think the reductions will make the slightest difference in the cost to the consumer, while I do think the farmer will lose something in the price of the hides produced by him. It may not amount to much in my State. It will amount to much more in other of the Western States.

Now, while each Senator is at liberty to follow his own conviction as to what his duty is with reference to the final passage of this bill, my own judgment of my duty is, having secured a bill which does substantially comply with party policy and party pledges for downward revision, to vote for the bill, notwithstanding the fact that I would prefer to have the duties somewhat lower on some articles and somewhat higher on others. I believe, for instance, that we should have maintained a 15 per cent duty on hides. The conferees, under the advice of the President, have seen fit to lower that duty, and with it they have lowered the duties on goods manufactured from those hides.

We held the higher duties covered by my amendment on barley, and I think the conferees should have held the slight raise on wheat. While the slight raise of 5 cents per bushel on wheat, making 30 cents a bushel, may not be needed just at this time, it will be needed as soon as we cease to export wheat, which will be in a very few years.

The conferees removed all duty from hides, and to compensate reduced the duties on boots and shoes and leather goods; but at the present time those latter duties have not been lowered to an extent equal to the lowered duty upon the raw ma-

terial. It has, however, been agreed that this shall be done by joint resolution.

I would have preferred the old duty on hides, or even a higher duty; but the fact that I did not get it will not justify me in opposing a measure which has come very close to what I think is right and just, and brings our tariff rate in near accord with the present demand.

But, Mr. President, as the bill comes from the conferees, on the whole I think it is less favorable to the Northwest, to the people whom I represent, than it was when it passed the Senate, and I believe that it ought to go back to the conference committee, and that certain errors ought to be corrected; but I am not certain that if we should refer it back to the committee, we would secure any bill during this legislative session.

I am especially desirous that a tariff bill be passed this session. I know that the President desires that this Congress at this session shall pass a tariff bill. The President fears that if this bill is sent back to the committee of conference a further conflict between the two houses may ensue, and we shall secure no bill whatever at this session. I think his fears are well founded, and I am governed in voting not to send the bill back to conference by the earnest desire of the President to secure action at this session.

I am certain the bill meets the demands of the people far more than the present Dingley Act does; that while the cotton and woolen schedules have been left substantially the same, or possibly with a few raises upon fancy articles, upon all the balance of the goods which are purchased generally there has been a reasonable reduction, and if I am not able to secure the entire loaf, I am willing to take two-thirds of a loaf.

Most of the arguments made upon this bill on both sides of the Chamber have been one-sided arguments. They have been arguments which dealt with the extreme cases and not with the average cases. I have tried to avoid the extreme of either side of this tariff question and to weigh matters from the judicial standpoint, rather than from the standpoint of an attorney representing either side. While I am not satisfied with the bill because of the injustice in many instances against the agriculturist, I would be very far from the truth and very far from performing a just duty which I owe to the public and to my State if I did not present the good features of this bill, though I may criticize portions. They far outnumber and outweigh those features which are less favorable.

I have prepared a table showing the effect of the tariff on the things usually purchased by the people of North Dakota. We purchase about as good as are purchased anywhere else in the Union.

I ask that it may be printed with these remarks, that those who wish to know how this bill affects them, and whether or not Congress has carried out party pledges, may have the facts before them, and may know to just what extent those pledges have been carried out.

From it we will be able to see that on nearly all the things we purchase there has been a reduction in the duties levied; and in making this statement I always except the schedule of wool and cotton goods, in which there have been little changes.

The table referred to is as follows:

<i>Reduction on existing law of articles generally purchased.</i>	
	Per cent reduction of existing tariff.
Agricultural implements:	
Wagons.....	25
Mowers.....	25
Binders.....	25
Harrows.....	25
Drills.....	25
Thrashers' machinery.....	25
Rakes.....	25
Plows.....	25
Cultivators.....	25
Planters.....	25
All other kinds of agricultural implements.....	25
(Administrative features of bill provide for no duty from countries not imposing duty on American machinery.)	
Soda, baking.....	No change
Oil, petroleum (all duties taken off).....	Free
Linseed oil, all kinds.....	25
Red lead for paint.....	9
White lead for paint.....	13
Varnishes.....	20 to 48
Cement.....	No change
Brick, glazed.....	25
Rockingham earthenware and china, the kind in common use.....	28 to 33
Window glass, common.....	4 to 20
Bar iron generally used by blacksmiths.....	50
Steel beams and girders for buildings (not assembled).....	20
Hoop and band iron.....	40
Railroad rails.....	50
Sheet iron and steel.....	28
Sheet iron or steel, galvanized.....	23
Sheet iron, polished.....	25
Steel wires, various sizes.....	12 to 20

	Per cent.
Barbed wire for fence.....	37
Hammers, sledges, crowbars, etc.....	8
Bolts and nuts.....	25
Knives and forks, table, commonly used.....	13 to 26
Files.....	5 to 25
Nails, spikes, etc.....	33
Horse and mule shoes.....	25
Nails, wire.....	20
Tacks, brads, etc.....	50
Rivets.....	37
Saws, common hand.....	16
Screws.....	16 to 25
Sewing machines.....	14
Typewriters.....	14
Oilcloths, linoleums, etc., for floors.....	9 to 38
Oilcloths for tables, covers, etc.....	40
Silks, commonly used.....	10
Coal, bituminous.....	33
Print paper.....	37
Hats, bonnets, etc., commonly used.....	20
Boots and shoes.....	40
Leather, sole and belting.....	75
Leather for shoe uppers, etc.....	25
Gloves, generally used.....	30
Harness, saddles, etc.....	55
Cotton thread.....	16 to 20
Cotton clothing, underwear, etc.....	No material change
Woolen clothing and underwear.....	No material change
Sugar:	
Philippine sugar (free).....	100
Sugar from Cuba.....	20
Other sugar.....	Very slight reduction
Lumber:	
Timber, round.....	50
Lumber, whitewood, basswood, etc.....	50
All other lumber, rough sawed.....	37
Finished 1 side.....	30
Finished 2 sides.....	33
Finished 4 sides.....	30
Finished 1 side and tongued and grooved.....	33
Finished 2 sides and tongued and grooved.....	33
Fence posts (free).....	100
Lath.....	20
Shingles raised from 30 cents to 50 cents per thousand.....	

Mr. McCUMBER. Mr. President, the chairman of the Committee on Finance is not here. When he is in the Chamber, I desire to take up another feature of this bill. There have been changes made by the conferees where there was absolutely nothing in conference, and I note generally that wherever there has been a surrender for the purpose of arriving at harmony between the House and the Senate, the surrender has always been of the agricultural interests, and in many cases, and in two or three in particular, there has been a surrender of the demands of the agricultural interest where there was nothing in conference between the two Houses, where both of them had absolutely agreed. But I desire to take that up when the chairman of the conference committee is present.

Mr. President, the table just referred to shows only the items which we purchase upon which this Congress has reduced the duties. The tariff rates on the things we produce have not been changed from the Dingley rates. The House bill reduced barley and barley malt below the Dingley rate, but I had both restored to the Dingley rates in the Senate. For ready reference to those of my own State who may be interested in knowing what the rate of duty is on the things which we produce in the State I have prepared another table, which I ask may be inserted.

The PRESIDING OFFICER (Mr. JOHNSON of North Dakota in the chair). If there is no objection, leave will be granted to print the table.

The table referred to is as follows:

Articles and rate of duty.

Barley.....	per bushel.....	\$0.30
Corn.....	do.....	\$0.15
Oats.....	do.....	\$0.15
Rye.....	do.....	\$0.10
Wheat.....	do.....	\$0.25
Beans.....	do.....	\$0.45
Onions.....	do.....	\$0.40
Peas.....	do.....	\$0.25
Potatoes.....	do.....	\$0.25
Flaxseed.....	do.....	\$0.25
Butter.....	per pound.....	\$0.06
Cheese.....	do.....	\$0.06
Poultry, live.....	do.....	\$0.03
Poultry, dressed.....	do.....	\$0.05
Cattle, less than 1 year.....	per head.....	\$2.00
Cattle, 1 year and over.....	do.....	\$3.75
Cattle valued at more than \$14.....	per cent.....	27
Horses, \$150 or less.....	per head.....	\$30.00
Horses, over \$150.....	per cent.....	25
Sheep, less than 1 year.....	per head.....	\$0.75
Sheep, over 1 year.....	do.....	\$1.50
Milk.....	per gallon.....	\$0.02
Eggs.....	per dozen.....	\$0.05
Hay.....	per ton.....	\$4.00

Mr. CRAWFORD. Mr. President, when the tariff bill was being considered by the Senate, my colleague and I voted, in the great majority of cases, for the reductions proposed. When the woolen schedule was under consideration, it will perhaps be remembered, we voted to sustain the present rates, and to a cer-

tain extent I think my position, as well as that of my colleague, was misunderstood.

In that connection, I wish to present and have read and made a part of the record a joint resolution that was passed by the legislature of the State of South Dakota, by which I was elected, upon the question of the tariff on wool, and a short comment upon it which comes from a newspaper in the State that is not in sympathy with the resolution, but which does state that the resolution is in harmony with the sentiment of the State.

The PRESIDING OFFICER. If there is no objection, the resolution and the newspaper comment will be read as requested.

The Secretary read as follows:

SOUTH DAKOTA AND THE WOOLEN DUTIES.

[Editorial in Sioux Falls Daily Press, Saturday, July 31, 1909.]

That Senators CRAWFORD and GAMBLE represented the sentiment of their constituents in opposing reductions in the duties on wool is indicated by the fact that the recent South Dakota legislature adopted a resolution asking Congress to maintain the Dingley rates on wool. That resolution, introduced by Representative Cable, of Lincoln County, and known as "house joint resolution No. 17," read as follows:

"Whereas the foreign competition in the wool market is so strong that the price of wool in the United States is frequently reduced below the price of production and a great and profitable industry is crippled thereby, and whereas it is with proper protection perfectly possible for the farmers of the United States to not only supply the entire American demand for wool, but to as well produce large quantities for exportation: Therefore be it

"Resolved, That the legislature of South Dakota hereby petitions the Congress of the United States to maintain the tariff upon wool in the revision of the tariff schedules now in contemplation."

The Press is of the opinion that the farmer could be protected with lower duties on the manufactured products of wool. In other words, the Press doubts if the man who buys clothing has received consideration in proper proportion to that given the producer of raw wool.

However, it must be admitted that in view of this resolution of the South Dakota legislature and the sentiment throughout the State for which it speaks, Senators CRAWFORD and GAMBLE were more nearly in accord with the wishes of South Dakota on this subject than are the views of the Press.

Mr. SMITH of Michigan. I should like to ask the Senator from South Dakota whether the resolution was adopted unanimously by the legislature of South Dakota?

Mr. CRAWFORD. It was passed practically without opposition. I have not the actual vote, but it was passed practically without opposition.

Mr. GAMBLE. Mr. President, I do not recall the vote, but my recollection of it is that the resolution was passed practically unanimously. A certified copy of the joint resolution was subsequently forwarded here and presented. The legislature adopted the joint resolution in February or March.

CIVIL-SERVICE EMPLOYEES FROM SOUTH DAKOTA.

Mr. GAMBLE. I ask unanimous consent that Senate resolution No. 71 may be laid before the Senate. It is merely an informal matter.

The PRESIDING OFFICER. The Senator from South Dakota asks that Senate resolution No. 71 be laid before the Senate. The resolution will be read.

Mr. KEAN. What is the request?

The PRESIDING OFFICER. That Senate resolution No. 71 be laid before the Senate.

Mr. KEAN. In regard to what?

The PRESIDING OFFICER. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 71) submitted by Mr. GAMBLE July 31, 1909, as follows:

Senate resolution 71.

Resolved, That the Civil Service Commission is hereby directed to communicate to the Senate, at the earliest practicable day, a list of the names of those now in the service charged to the State of South Dakota, including the city or town and the county which clerk or employee claims as his or her residence, and the date of his or her appointment; also a statement as to the number to which said State is entitled under the provisions of the civil-service law.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

Mr. KEAN. I do not think it ought to be considered at the present time.

The PRESIDING OFFICER. Objection is made.

Mr. GAMBLE. Mr. President—

Mr. KEAN. I only want to make a brief explanation.

Mr. GAMBLE. It is merely an informal matter.

Mr. KEAN. If the Senator from South Dakota has a list of those from the State of South Dakota certified here, every other Senator would want to have those from his State certified here.

Mr. GAMBLE. I will say that those from many other States have made similar requests, and at this special session.

Mr. KEAN. The Senator from Iowa [Mr. CUMMINS], the chairman of the Committee on Civil Service and Retrenchment, is very anxious to have reported a resolution providing for an investigation of civil-service matters. If he does not object to this, I shall not object.

Mr. GAMBLE. There was nothing else before the Senate, so I called up the resolution.

Mr. CUMMINS. I should be very glad to have the resolution adopted; but if it arrested by the unanimous consent—

Mr. KEAN. Then I will not object. I withdraw my objection. The PRESIDING OFFICER. Objection is withdrawn.

Mr. CLARK of Wyoming. Mr. President, I am not going to object, but I wish to make plain the embarrassment which the adoption of the resolution will cause some Members of the Senate, and I want to give the understanding we had in regard to the business before the Senate at the special session. The understanding of the committee on which I had the honor to serve was that no business other than the tariff was to be transacted. I am not going to object to this resolution, but it seems to me that matters of this sort ought to be deferred until the regular session in the fall. However, if it is going to make any material difference to the Senator from South Dakota, the resolution can be considered now, so far as I am concerned.

Mr. McCUMBER. I desire to suggest to the Senator from South Dakota that I do not consider the resolution at all necessary. A letter directed to the chairman of the Civil Service Commission will bring the desired result at any time, without any resolution here or going through all this red tape. I wrote down a short time ago and had no difficulty in getting a response just as quickly as the Senator will get it through the medium of his resolution.

Mr. GAMBLE. I have no thought of delaying the Senate for a moment. I was simply following the precedents made at the present session by many other Senators in making application for similar information.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. Browning, its Chief Clerk, announced that the House agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11570) making appropriations to supply urgent deficiencies in appropriations for the fiscal year 1909, and has appointed Mr. TAWNEY, Mr. SMITH of Iowa, and Mr. LIVINGSTON managers at the conference on the part of the House.

Mr. ALDRICH. I move that the Senate adjourn until 12 o'clock to-morrow.

The motion was agreed to; and (at 1 o'clock and 7 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, August 4, 1909, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, August 3, 1909.

The House met at 12 o'clock m.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had insisted upon its amendments to the bill (H. R. 11570) making appropriations to supply urgent deficiencies to appropriations for the fiscal year 1909, and for other purposes, disagreed to by the House of Representatives, had requested a conference with the House of Representatives on the disagreeing votes of the two Houses, and had appointed Mr. HALE, Mr. GALLINGER, and Mr. CLAY as the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment bill of the following title:

H. R. 6277. An act to authorize the building of a dam across the Savannah River at or near the mouth of Stevens Creek, between the counties of Edgefield, S. C., and Columbia, Ga.

URGENT DEFICIENCY APPROPRIATION BILL.

Mr. MANN. Mr. Speaker, I move that the House agree to the conference asked for by the Senate on the bill H. R. 11570, the urgent deficiency appropriation bill.

The SPEAKER. The question is on the motion of the gentleman from Illinois to agree to the conference asked by the Senate on the urgent deficiency bill.

The question was taken, and the motion was agreed to.

The Chair announced the following conferees on the part of the House: Mr. TAWNEY, Mr. SMITH of Iowa, and Mr. LIVINGSTON.

RECESS.

Mr. DALZELL. Mr. Speaker, I move that the House now take a recess until 3 o'clock.

Mr. CLARK of Missouri. Mr. Speaker, I would ask the gentleman from Pennsylvania what that is for?

Mr. DALZELL. We expect to have the report of the conference committee on the deficiency bill at 3 o'clock.

Mr. CLARK of Missouri. Then we are not going to have the tariff bill at that time?

Mr. DALZELL. Not to-day.

Mr. CLARK of Missouri. What day will we have it?

Mr. DALZELL. Oh, I can not tell the gentleman. We are waiting on the Senate.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania that the House stand in recess until 3 o'clock p. m.

The question was taken, and the motion was agreed to.

Accordingly (at 12 o'clock and 8 minutes p. m.) the House stood in recess until 3 o'clock p. m.

AFTER RECESS.

The recess having expired, the House was called to order by the Speaker at 3 o'clock p. m.

Mr. PAYNE. Mr. Speaker, if I may have the indulgence of the House for a word. We took a recess until this time in the hope that the conference committee on the urgent deficiency bill would be able to report. I am informed that they will not, and I therefore move that the House adjourn.

The motion was agreed to.

Accordingly (at 3 o'clock and 1 minute p. m.) the House adjourned until to-morrow at 12 m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of the Interior, transmitting a copy of the Journal of the twenty-fifth legislative assembly of the Territory of Arizona, was taken from the Speaker's table and referred to the Committee on the Territories.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. HENRY of Texas: A bill (H. R. 12174) to provide for the erection of an army and navy hospital at Marlin, Tex.—to the Committee on Military Affairs.

Also, a bill (H. R. 12175) in relation to contempts of court—to the Committee on the Judiciary.

Also, a bill (H. R. 12176) in relation to restraining orders and injunctions—to the Committee on the Judiciary.

Also, a bill (H. R. 12177) to repeal an act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898—to the Committee on the Judiciary.

Also, a bill (H. R. 12178) to amend the bankruptcy act—to the Committee on the Judiciary.

Also, a bill (H. R. 12179) for the erection of a federal building for the United States post-office at Belton, Tex.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12180) for the erection of a federal building for the post-office at Marlin, Tex.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12181) to establish and regulate the maximum rate of charges for the transportation of passengers by corporations, or companies, or persons operating or controlling interstate railroads, in part or in whole, between the respective States of the United States, and providing penalties for the violation of the provisions thereof, and repealing all laws and parts of laws in conflict therewith—to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 12182) to limit the power of circuit and district judges of the United States in issuing injunctions and restraining orders against state laws and state officers—to the Committee on the Judiciary.

Also, a bill (H. R. 12183) for the erection of a federal building for the United States post-office at Belton, Tex.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12184) to amend the act approved July 2, 1890, entitled "An act to protect trade and commerce against any unlawful restraints and monopolies"—to the Committee on the Judiciary.

Also, a bill (H. R. 12185) for the erection of a federal building for the post-office at Marlin, Tex.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12186) to establish a fish hatchery and fish station near Waco, Tex.—to the Committee on the Merchant Marine and Fisheries.

By Mr. KAHN: A bill (H. R. 12187) relating to legal holidays in the States—to the Committee on the Judiciary.

By Mr. BARCHFELD: Resolution (H. Res. 105) providing for a committee to be termed a Committee on Public Health—to the Committee on Rules.